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Successful, But . . .

As of mid-November, we have reached the goal we announced for the DISSENT fund drive. About **$15,000** has come in, through checks and pledges, and probably a little more will arrive in the next few months.

So—it's been a success, and we're grateful to all our friends. We're really very happy and proud that in this difficult moment, when people feel pinched financially, our readers dug in. More of them sent contributions than ever in the past.

But . . .

Hear this tragicomedy. Just after we launched the fund drive, our printer presented us with an unavoidable 10 percent rise in costs, the second within the last half-year! It wasn't anything special against us, every other magazine is suffering equally. That means that even before the fund drive was launched, our goal was already inadequate. We should have said, $20,000, and it's **$20,000** that we need for survival.

Which means that if you've not yet made your pledge or contribution, please do. It's the margin that counts!

New Editors

Meanwhile, I'm happy to announce some changes in our Editorial Board. Michael Walzer, whose distinguished work is familiar to all our readers, will now become coeditor of the magazine. This will strengthen DISSENT as well as make for a better representation of generations.

Two people have been added to the Editorial Board: Bogdan Denitch, a veteran socialist and expert on East European society; and Jack Clark, a young activist and writer who serves as national secretary of the Democratic Socialist Organizing Committee.

Thin and Fat

Our readers may notice that this issue is slightly thinner than some previous ones: it's a necessary economy for survival. We're still not out of financial danger, though we hope to be so in a while and perhaps even to put out an occasional "fat" issue. Meanwhile, if you've not yet contributed, please take care of the box below.

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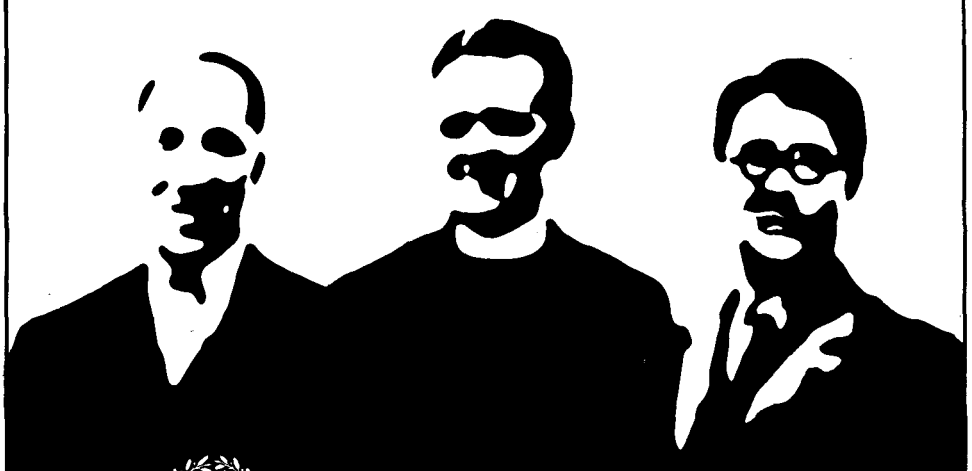

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DISSENT is a journal devoted to radical ideas and the values of socialism and democracy. It seeks to serve as a forum for writers devoted to these ideas and values, while also welcoming a wide variety of other opinions. Each writer speaks for himself; there is no effort made to exact editorial consensus or uniformity.

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WINTER 1975

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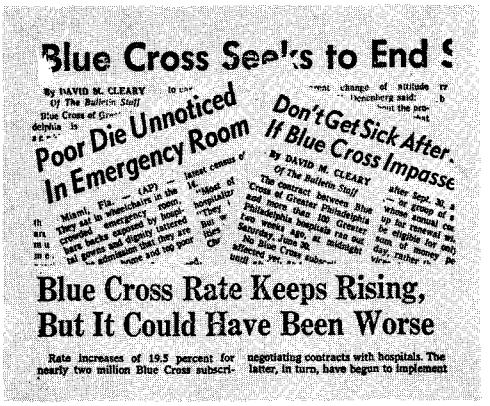
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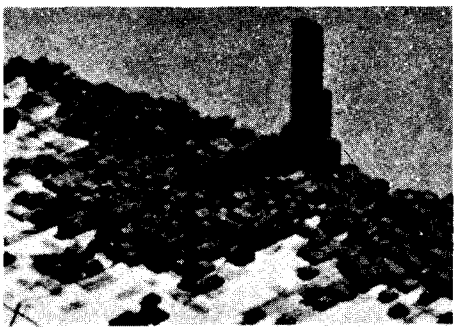

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Michael Harrington

A New Crisis of Capitalism

The current inflation-recession is a crisis of the capitalist system.

At first glance, this proposition may seem absurd. It is all but universally agreed, Left, Right, and Center, that two of the most important causes of our present dismal plight are energy and food prices. But isn't it clear that the former is largely the result of the OPEC cartel and the latter a consequence of crop failure outside the United States (in turn, often caused by accidents of weather) and of growing global affluence? These things, it may be said, are hardly products of the American economic system.

One can make a slightly more plausible case for my opening assertion by pointing to the way in which Washington's policies promoted our disasters. Still, were Nixon's devaluation and Johnson's war in Vietnam expressions of some *structural* tendency within the system? Wouldn't it be more sensible to regard them as the judgments of fallible individuals rather than expressions of an underlying contradiction in capitalism?

Even though the argument against my thesis seems to have common sense on its side, I do not accept it. To explain why, it is first necessary to carefully circumscribe what is being said here. For exactly what one means in speaking of a "crisis of the capitalist system" is not immediately obvious.

Joseph Schumpeter was a profound conservative—the greatest of the century—and one of the few critics of Marx who troubled to read him carefully (and, more often than not, fairly). In his monumental *History of Economic Analysis,* he described a series of very important distinctions in Marx and thereby illuminated a point ignored, not simply by anti-Marxists, but by a surprising number of Marxists as well. It bears very much on an analysis of the inflation-recession of the 1970s.

Marx, as Schumpeter noted, carefully distinguished between the general institutional *conditions* permitting cyclical movements in the economy, the specific *causes* actually producing such a movement, and the *symptoms* accompanying this causation. The general "anarchy" of capitalist society was a condition of crisis but, since it persisted through good times and bad, not its cause. The latter, Schumpeter rightly holds, was to be found in Marx's analysis—in all of the historical specificity of each case—in the process of capitalist accumulation. Finally, the cyclical movements that resulted from these general conditions and particular causes did generate symptoms, such as the expansion or contraction of credit, which the simplifiers often mistakenly thought were basic to the whole process.

I would follow Marx's lead in developing an analysis of what is happening today. Therefore, when I say that the current crisis is a product of the capitalist system, I do not mean that it is inevitable, in the sense that the system had to function precisely as it actually did. That would be sterile reasoning, and I will leave it to the theologians of the Left who focus on general conditions and ignore immediate causes. Moreover, I believe that capitalism will probably be able to surmount this crisis, at least in America, within the confines of the system. I would only add that if this turns out to be the case—if the Left once again fails politically

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and programmatically to offer a workable, progressive alternative—then the people of this society, and of the world, are likely to pay a high price for such a "solution."

What, then, is left of my claim that the recession-inflation is a crisis of the system? *Not that its causation was preordained, but that it is a characteristic crisis of this kind of a society, one into which it is institutionally predisposed to blunder.* It could have acted otherwise (but then, those other options would have involved characteristically capitalist contradictions too, albeit different ones); but that it did not, and it brought us to this pass, is by no means an accident even if also not a fate.

If I am right, and such a capitalist crisis does exist, then there is a political corollary to my analysis that I will note but not argue here: that structural changes within the American economy are required if we are to find a tolerable way out of our current calamities.*

To return now to my central proposition: our crisis, including its food, energy, and governmental policy components, is characteristically capitalist.

FOOD. American agriculture, for a generation at least, has been the site of a "classic" Marxist crisis.

In the '30s, there were farmers who desperately wanted to till the soil, and there were millions of people with empty stomachs. The response was a governmental policy of planned scarcity. Our agricultural system had become "too" productive within the confines of a capitalist economy. The latter had become, quite literally, a "fetter" on production, and during a decade of hunger it was necessary to plow under fields and kill off animals in order to maintain income for the producers. Since the programs that accomplished this "solution" were geared to the subsidy of market farmers, they helped to drive tenant and subsistence farmers off the land. Thus the government promoted concentration in the fields and spent billions of taxpayers' funds aiding agribusiness and assaulting the small farmers.

These things, to be sure, did not *have* to be done in exactly this manner. The Brannan Plan, proposed by the liberals under Harry Truman, would have put all that acreage back into production, allowed food prices to reach a market level on the basis of abundance, and then would have subsidized farm income once the consumers had the advantage of cheaper prices. But even under this infinitely more enlightened procedure, the fundamental capitalist problem would have remained—there was "too much" productivity in a system that placed narrow structural limits upon consumption. The response, however, would not have been quite as irrational as the one that actually took place.

As the Joint Economic Committee pointed out in a 1972 Staff Study, the government paid farmers $5.2 billion in 1970, most of it for *not* growing crops—and the consumer paid an extra $4.5 billion because of the artificially jacked up high prices this planned and subsidized scarcity brought about. It cost roughly $10 billion that year for the United States to eat less and to produce less than it could have easily produced. There were, of course, hungry people, some of them eating cat food while all this was taking place, and there were starving men and women in the Third World. (To be fair, agribusiness discovered under Nixon that it could profit from Food Stamps and began to back the program that was rapidly expanded to meet some of the needs of the poor. Now, however, that speculative conditions on the world agricultural market are so favorable, one might expect the Farm Bureau, perhaps the most effective reactionary organization in the United States, to revert to type.)

All of this is far from ancient history. This insanity continued up to the eve of the current crisis, as a recent study of the National Farmer's Union documents. In 1972, the govern-

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* I do not present the programmatic, political conclusions in this article because I have developed them extensively in an essay that will accompany a resolution I am submitting to the Second National Convention of the Democratic Socialist Organizing Committee in January. I also assume that every reader of DISSENT understands that in terms of immediate action, the democratic Left must support public employment programs for all who are laid off, redistributionist tax policies to finance them, and militant union action to permit organized workers to catch up with inflation.

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ment paid to keep 62.1 million acres out of production; in 1973, when the handwriting on the wall might have been clear to all, it managed to idle some 19.5 million acres. Only in 1974, when the multi-billion dollar exporters discovered that they could make a killing on the world market, did we finally stop this policy of subsidizing scarcity.

The Farmers' Union summarizes the impact of Washington's actions between 1969 and 1973:

> An enormous volume of potential food production was sacrificed during these five years, which could have been used for providing adequate reserves and greatly expanded food aid shipments. Assuming yields of only two-thirds of the actual national average for the grain best-suited to the various lands held out of production, the five-year total would have reached the equivalent of 8,609 million bushels of wheat. This is nearly a billion bushels more than the actual total harvests of 7,668 million bushels of wheat in the U.S. during those five years.

So the equivalent of a five-year harvest of wheat, plus one billion extra bushels, was sacrificed at a cost of $15.5 billion. While we thus paid dearly in order *not to produce* 234.3 million metric tons of grain, we only shipped 32.7 million metric tons overseas under the Food for Peace Program. Even that latter figure is deceptive. Food for Peace, as the Farmers' Union points out, might better be called Food for War or Food for Politics. In 1973, 31 percent of the total went to Vietnam and Cambodia—and over half the total to military-related recipients.

While the American and the world poor were paying with malnutrition and starvation for our policy of planned and profitable scarcity, agribusiness, like every other capitalist sector, was busy trying to upgrade the diets of the affluent. This expresses another characteristic of present-day capitalist society: *consumption, if profitable, is expanded without any thought of social consequence.* Barbara Ward estimates in a recent issue of the *Economist* that one-third of the world's increased demand for food over the last several years is a result of increased eating on the part of the affluent, and not of population growth. Roger Revelle of Harvard's Center of Population Studies tells us that the life expectancy of children in the developing countries is lowered by undernutrition while that of adults in developed countries is reduced by overnutrition.

In short, the food crisis is not a result of such "natural" factors as population, fertility, and the like (themselves social products)—but of corporate-governmental policies in the United States that saw our enormous agricultural productivity, not as a means of satisfying human needs at home and abroad, but as a source of profit.

ENERGY. So much has been written about the energy crisis that I need only summarize the rudiments of a socialist analysis. Since 1943 at least—when the United States used its power to secure the Saudi concession for Standard Oil of California and Texaco—the government has followed corporate priorities in this area. Our vulnerability to OPEC pressure is not a result of a throw of the geological dice but a social and political outcome. Washington gave Big Oil a 100 percent tax write-off on levies paid to foreign governments (which was intended as a secret foreign aid program to conservative Arab powers when it was launched in 1950); there were depletion allowances and the "expensing" of intangible drilling costs, which add up to an investment tax credit of 50 percent; oil import quotas from the late '50s until the early '70s drained American resources at a high cost to the consumer and kept out cheap Arab oil without political strings; a federal highway program massively subsidized the private passenger car and effectively helped to destroy mass transit, the railroads, the central city, and thereby worsened the lot of the minorities and the poor; and so on.

In short, it took billions of governmental dollars spent in promoting corporate goals in order to engineer us into the wasteful, inefficient, and vulnerable energy economy in which we now find ourselves. At every point in this process, the decision-making was characteristically cap-

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italist, i.e., motivated by the quest for profit rather than the common good.

ECONOMIC MANAGEMENT. The "Keynesian Revolution," which occurred in the wake of the Great Depression, is now much more ambiguous than it seemed to be during the euphoric days of New Economic triumphs in the mid-'60s. Here again, a specifically capitalist dynamic is at the center of the problem.

Keynes was, as he openly proclaimed toward the end of *The General Theory,* moderately conservative. He basically thought that private corporate initiative yielded the best result and he was a resolute enemy of "State Socialism" (as well as a middle-class snob). "I see no reason," he wrote, "to suppose that the existing system misemploys the factors of production which are in use. . . . It is in determining the volume, not the direction, of actual employment that the existing system has broken down."

This, it is now quite obvious, is wrong. Under conditions in which government has followed the Keynesian prescriptions to maintain investment, employment, and savings, the private corporations have availed themselves of the resultant prosperity to foul the environment, gull the consumer with ingeniously packaged pseudo-needs, and in general impose intolerable social costs upon the public while pursuing private gain.

All this is the familiar stuff of contemporary social criticism—some of the most brilliant instances of it have come from John Kenneth Galbraith—and it is routinely ignored by policy-makers. Now, however, a new problem has emerged from within the Keynesian synthesis. Like the issue of allocation, it is a product of the system itself.

To be fair, Keynes himself did not believe that mere monetary and fiscal management would create a full-employment equilibrium; we owe that happy thesis to his heirs. It would be necessary, Keynes said, for the government to socialize at least some investment; and he recognized that the success of his policies would result in an inflationary danger. The basic mechanism whereby this latter effect is produced is a part of the crisis of capitalism. For until Keynes developed a program that made it possible to deal with recession—i.e., after he had banished the idiocies of a conventional wisdom that taught governments how to deepen recessions in the name of fighting them—capitalism had a marvelously effective mechanism for dealing with inflation: depression.

Marx, as Schumpeter rightly understood, had located the tendency toward crisis in the very process of capitalist accumulation. On an upswing, he argued, the workers' wages increased and they even managed to win a larger portion of the surplus value they had created. This, however, cut down on capitalist profit and, along with a number of other factors (e.g., production necessarily outrunning the effective demand of a market based on capitalist property relations), brought about a crisis of the system. In this context, the crash was functional, restoring the conditions for yet another round of capitalist expansion. In such a system, rationality asserted itself—as Marx commented wryly, "something like the law of gravity, when a house falls around your ears."

But how, then, is the system going to survive when one of its critical mechanisms (recession and mass unemployment) must, in order to assure the very survival of any post-Keynesian government, be suppressed? Clearly there are whole series of options that can be used to deal with this problem, and during the last quarter-century some Western governments have employed them shrewdly. The general institutional conditions for a crisis were created the moment Keynes—or more precisely, the working-class, socialist, and (American) liberal movements—tinkered with the old, broken-down engine of *laisser faire.* But for reasons too varied and complex to describe here, the specific causation for such a downturn did not arise until quite recently. It took us about 30 years to get from Scylla to Charybdis, but we certainly have arrived.

THERE ARE TWO, contradictory theories that seek to demonstrate why these trends have matured in recent times. Both seem partly right.

It has been asserted by a fairly large number of economists (Michael Kalecki was the first, Galbraith the most prominent of the recent

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spokesmen of this view, and James O'Connor its advocate on the Marxist Left) that the new class structure of managed capitalism allows oligopolies to administer prices. Under these circumstances, when unions make demands, they are readily accepted since, it is said, they can simply be passed on to the consumers anyway. What seems wrong about this analysis is that it tends to equate "Big Labor" and "Big Business," even though there is no empirical evidence that the best-organized workers have improved their *relative* position in either the society or the working class itself. But it is quite right to emphasize that, in the post-Keynesian environment, the competitive forces that are supposed to drive prices down are not working. We have carefully deprived capitalism of one of its few virtues.

The second theory is more classically Marxist. It holds that the Keynesian-induced boom subverts the conditions of capitalist profitability by undermining discipline in the plant and by allowing wages to bite into corporate earnings. Raford Boddy and James Crotty, who argue this thesis succinctly in the October '74 *Monthly Review*, see a basic contradiction between full employment and high profits. The big corporations, they assert, cannot pass the wage increases on to the consumer, and the workers therefore gain on the bosses. I am disturbed by some of the aspects of this analysis: it is based on data, from the Federal Reserve Bank of St. Louis (a center of monetarism and conservatism), which were intended to show, as Boddy and Crotty themselves note, that wage and price controls worked against business. This, certainly, is not true. Second, the UAW Research Department has convincingly shown that, since 1970, prices have risen much faster than labor costs and "manufacturing workers are getting a substantially smaller share of the value of their output" than at any time since the Department of Commerce began to keep books on this ratio in 1947. Yet there is no question that big business *believes* the case to be as Boddy and Crotty describe it, and that is a powerful economic fact.

Indeed, this belief is at the very center of the current economic program of American capital. The Chase Manhattan Bank and the New York Stock Exchange have been claiming that profits are too low to provide the necessary financing for corporate expansion in the next period. They therefore want preferential treatment for profits while wages are held down. In this, they once again prove that the American bourgeoisie is our most (sometimes our only) class-conscious class. If the workers were as Marxist as the executives, socialism would probably have triumphed a generation ago.

In any case, my central point does not require that I pick and choose between the details of these competing theories. For both of them assert—and Chase Manhattan and the Stock Exchange concur in—that changes in the structure of the capitalist system are one of the reasons we find ourselves in our present situation. We have, thank God, abandoned the irrational rationality of periodic depressions as a way of reestablishing economic upsurge, but we have yet to find a substitute for depressions that will work *within* the system. And, though the thought would horrify Keynes, these events suggest that one look for a solution outside of the system.

As long as one accepts the corporate infrastructure as sound, the demand for discrimination in favor of profits does make a certain inane and antisocial sense. We have allowed the business sector to act as society's National Economic Planning Council, and it simply wants to utilize the funds to get on with the job. But what if we began to socialize investment, as Keynes proposed in a different context? What if we set up our own National Economic Policy Planning Council, run by the people instead of by the corporate rich?

THESE THOUGHTS move in the direction of the "Policy and Program" article I am not writing in these pages. Right now, I simply want to reassert my main point. In the critical areas of food and energy, it is government policy in the service of private priorities that has brought us to our present condition; and in the area of government economic management itself, we are learning that capitalism tends to function poorly if we deny it the right periodically to

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rationalize itself at the expense of the millions. In each of these three cases, all of them prime sources of our recession-inflation, there is a characteristically capitalist process at work. Our plight was not exactly preordained by some systemic inevitability, and it is certainly not the result of a bourgeois plot. But it *is* a typical abomination of our antisocial economic system. □

Robert Lekachman

Is Capitalism Finished?

Is the great and final crash of capitalism at last at hand?

Well, as Lyndon Johnson's legendary job aspirant answered the school board member who inquired about his views on cosmology, I can teach it round or flat. Let's try round first. The portents of impending global calamity are numerous. They threaten the social and class harmony that has accompanied and stimulated Western prosperity in the three decades since the conclusion of World War II. The bargain implicitly struck between owners and workers ratified existing distributions of income, wealth, and power (everywhere extremely unequal) in return for high, steady employment, a flood of consumer goods, and steady improvement in average standards of life.

Rising levels of general education and rapid technological progress facilitated the sustained economic growth that conferred its benefits upon all economic classes except the very poor. The advanced nations benefited as well from highly favorable terms of trade between themselves and commodity-producing nations. Oil, bauxite, and other metals were acquired at low prices from weak governments strongly influenced if not controlled by their Western customers. In the 1950s, but apparently not in the 1970s, the CIA was able to put mutinous Iranians in their place by ousting Mossadegh and substituting politicians with more "enlightened" views on oil prices and oil company profits.

Low commodity prices reduced the cost of finished goods. Produced for the most part in highly concentrated industries, these manufactures were sold at pleasantly profitable prices to raw material exporters. Yet, even under these favorable circumstances, mild inflation was chronic in Western society. The tendency persisted for the claims of labor and capital to add up to rather more than the value of national output at current prices. Accordingly, the Federal Reserve and other central banks expanded credit substantially enough to allow all claimants to collect what they demanded in monetary terms and slightly less than they wanted in real terms.

Since October 1973, the terms of trade have dramatically deteriorated for Americans, Western Europeans, and Japanese. OPEC success in quadrupling crude petroleum prices has been emulated by other commodity producers. According to Walter Levy's estimates, OPEC's coup is worth $70–80 billion extra to the oil producers *each year*. Total American foreign investment, accumulated over many decades, is only $90 billion. The petrodollars slosh around in American and European banks, most of them subject to immediate withdrawal or withdrawal upon notice measured in days. All importing countries suffer from huge balance of payments deficits which for rickety economies like the Italian are a blow too heavy to be borne, except with emergency aid from the West Germans. Save for the promise several years hence of North Sea oil, England would be in no better state.

If anything, the food situation is even grimmer. Each year the world's population rises by some 70 million souls. Food supplies have failed to keep pace. Shortages of fertilizer and energy, the slowing of the Green Revolution, and the ominous Indian slide away from food

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self-sufficiency all raise in unusually horrifying form the Malthusian specters of famine and pestilence. For the impoverished societies of the Fourth World unlucky enough to possess no oil of their own, the menace is that of starvation. For the United States, increasingly the world's residual grocer, the prospect is for permanently higher food prices. Farm surpluses are a thing of the past. American grain is a world commodity whose price is bound to rise.

In sum, the delicate social compact among the economic classes that allowed capitalism's glorious postwar run is likely to be dissolved by the slowing of economic growth, the actual deterioration of English, Italian, and American living standards, and the consequent intrusion in this country of issues of redistribution of income and wealth, which had been papered over while the Gross National Product rose at dependable 3–4 percent average per capita rates.

The routes to economic disaster are numerous. By withdrawing large deposits suddenly from a major bank * or from a country of whose policies they disapprove, the Arab members of OPEC could conceivably set off a chain reaction of financial disaster. Or OPEC might reduce oil pumping sharply enough to plunge Japan and Western Europe into deep depression. Even if OPEC does no more than pursue present price and output policies, the difficulties of recycling the oil billions may be intractable. The fragile arrangements under which international trade occurs are under their severest strain since the 1930s. The temptations of neomercantilism are visible in Common Market resistance to American exports of farm products, the rush of the West Europeans to consummate special deals with the Arabs, the possibility of English withdrawal from the Common Market, and the growth of American protectionist sentiment.

The politics of redistribution are unfamiliar in the United States. If our experience comes to resemble that of England, we can expect serious industrial strife, ethnic and racial tension, and increasingly unstable politics.

* By rumor Arab deposits in the Chase Manhattan Bank amount to $4 billion, a sum of some consequence even to a Rockefeller enterprise.

II

THE FLAT-EARTHERS have a different tale to tell. Like other cartels, OPEC will disintegrate because of internal conflicts of interest, particularly if the oil importers begin to play its members off against each other. If cartel solidarity persists, promising oil fields have been discovered in Mexico, the China Sea, the Continental Shelf, and the Aegean Sea. Soon Alaskan and North Sea supplies will loosen the grip of the Persian Gulf monopolists. While the importing nations wait, they can conserve energy use, promote development of alternative energy sources, and soothe their own population with the promise of better times over the horizon.

Food panic relates to large quantities of bad luck and cynical electoral politics. In the last two or three years, the bad luck has included the commuting anchovies off the Peruvian coast, drought in the sub-Sahara (now fortunately ended), floods in Bangladesh, scant rainfall in the Punjab, and drought in our own Midwest. There is no reason sensibly to fear that these calamities will repeat themselves, particularly in platoon formation. Nor, as the hasty action of the Ford administration in halting grain sales to the Soviet Union indicates, is there a present Washington inclination to repeat the uncontrolled shipments to the Russians that were featured in Nixon's emphasis upon détente as a 1972 reelection strategy.

The disasters of 1929 and after were unexpected. Our lords and masters have learned something from experience, notably the necessity of government intervention to protect the victims of economic dislocation. No modern democratic government can abandon its citizens entirely to the adversities of either inflation or unemployment. President Ford's initial tentative stab at an economic program in October consisted mostly of benefits to business, but it also included gestures, which almost certainly will be enlarged into substantial measures, in the direction of public job creation and tax relief for low-income earners.

Businessmen and their political agents are equally willing to manipulate the levers of policy in international affairs. The multina-

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tionals whose only citizenship is that of the balance sheet have strong pecuniary reasons to preserve the viability of the leading trading nations. For these self-serving arguments, the Germans and the Americans will continue to bail out the Italians and the English, at the strong urgings of business leaders in all the countries involved. The major trading nations are interdependent. What is even more to the point, the politicians and businessmen at the head of affairs are perfectly aware of their situation.

III

IN THE END even that apocryphal Texas teacher had to tell his class *something* about the shape of the planet. I rather think that if events are controlled by the rational perceptions of OPEC and its customers, capitalism is likely to survive to exploit another day. Tough old system that it is, contemporary market capitalism will probably resume economic growth at a pace fast enough to distribute acceptable new benefits to middle- and working-class families.

Not only for critics of capitalism but also for its friends, this is a message of qualified optimism. Rational calculation is not the only influence upon events. The ideological emotions and territorial ambitions of such medieval types as King Feisal and such megalomaniacs as the Shah of Iran enormously complicate the prospects of resolving the energy crisis, and even of preserving world peace. Although it is against the long-term Arab and Iranian interest to destroy Western prosperity, it is unwise to discount the impact of sheer fanaticism.

Nor is emotion unknown in Western politics. If the British desert the Common Market, an operative force is likely to be long-standing English dislike of the "wogs" across the channel. A wild card is popular uneasiness about the stability of banks, large corporations, and the economy at large. When uneasiness turns into panic, economic behavior turns irrational. Consumers cease to spend. Businessmen stop investing.

All in all, if compelled to bet on the future, I'd offer odds of, say, 3–2 that five years from now capitalism will be doing business at the same old stand, though with a product somewhat differently packaged. □

Jean Bloch-Michel

Rumblings on the French Left

Paris

The French Left has seemed strangely silent since its defeat—which was so nearly a victory—in the election of May 1974. Perhaps it had first to overcome its disappointment at having missed out by so narrow a margin. But the new government can boast of being partly responsible for this silence. Whether Giscard d'Estaing has acted out of true liberalism or whether, in thinking ahead to the 1976 elections for the legislative assembly, he must take into account the wishes expressed by more than half the country, the fact remains that the new President has responded promptly to certain hopes for change. The changes include: establishment of the right to vote at eighteen; enforcement—at last—of the law concerning contraception and abortion; initiation of long-promised penal reforms; higher taxes on the profits of large corporations; financial austerity intensified and more readily accepted because more fairly shared; also, in the near future, possibly a reform of military service regulations, and, assuredly, a liberalization of the abortion law. All these reforms also had been part of the Left's program. Nonetheless, Giscard d'Estaing has taken it upon himself to change something in France. But what?

In a recent editorial in *France Observateur*, Jean Daniel phrased an answer that seems close to the mark. He pointed out that the new government has merely caught up with the 15-year time lag in France caused by Gaullism. From now on, the law will no longer be in absolute contradiction to social customs, and France will find herself on the same footing England, the U.S., and Germany have enjoyed for the past 20 years—not to mention Holland or the Scandinavian countries. But we must bear in mind an important fact: all these reforms relate to social habits and merely give legal sanction to current behavior. Not one concerns the country's economic structure. The ploy of the liberal Right has always been to change "everything" without real change—a

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ploy, one must concede, that has led it to bring about more changes than it would have wanted.

Caught short by reforms it had long called for, the Left finds itself in difficulties as far as its theoretic profile is concerned. The Common Program of the United Left (as well as the solutions proposed by its far-left adversaries) was conceived for an expanding economy. But where, under the influence of Mendès-France, the Socialist party did come to recognize that the new situation demands a serious revision of the programs of the Left, the Communist party initially sought to maintain its old positions as if nothing had happened; as if the oil crisis, for instance, were nothing more than a monopolistic maneuver of imperialist capitalism, just as in Bucharest it asserted that the world population crisis is an American invention. Although lately the Communist party has somewhat modified these positions, it is far from conceding that today all planning must be adapted to an economy of minimal or even zero growth, as the Club of Rome had foreseen.

Relations in France between the Communist party and the other left wing-groups have never been simple, because of ideological differences, and now they are further complicated by virtue of differing, even divergent, interpretations of the economic situation.

And so it is that, for the moment, relations between the Communist and Socialist parties seem about the same as they have been ever since the Union of the Left was founded; they continue to be based on the voters' indication that there is no possible solution for the French Left other than the Union. So the alliance is troubled and mistrustful, each group maintaining a worried surveillance of the other.

AMONG CURRENT CHANGES, the most important do not concern only France. In the past year, a number of prominent figures have vanished from the scene: Brandt, Pompidou, Nixon, Golda Meir, Caetano, and the Greek colonels. Franco, Chou En-lai, and Tito will soon slip offstage. Replacements in the world's top-ranking political personnel do not always have the same impact on French politics as on those of other countries. The misadventures of Nixon or of Brandt (I do not imply the slightest comparison of those developments or individuals) are less important in France than what is going on in Greece and in Portugal, and what is in the making in Italy and Spain. The new face the French Communist party wishes to wear is being tried out in Lisbon and Athens. There the Communist parties are seemingly progovernment, moderate in their demands, committed to democratic freedoms (the same freedoms they were not so long ago dismissing as *pro forma*), reform-minded, and firm in the defense of law and order. After having so long declared they did not constitute "a party like the others," the Communists are trying hard to prove the contrary.

If one views the Party apart from its internal organization—in which Leninist democratic centralism still rules—it is seen to be a party quite like the others, at least insofar as it is willing to be associated with what it calls "democratic forces." For the moment, in Athens the Party supports Karamanlis, who is certainly not a man of the Left and who as yet has conceded the Communists nothing. As regards Spain, the provisional Junta formed in Paris to prepare for the post-Franco period includes all "democratic" Spanish movements, Monarchists (a slight confusion of terminology here) as well as Communists.

Nor is it news that in Italy the Communist party is ready to work with any party in power, including the Christian Democrats. What is new is that the best political minds in the country, whether they be Socialists or sometimes even Christian Democrats, are wondering whether the entry of the Communists into the government is not the only way to check social and economic chaos as well as to control the political corruption that engulfs the nation. Recently a new element was interjected by Altiero Spinelli in an interview granted the weekly *Espresso*. Now Spinelli, who under the Fascists spent many years in jail, entering as a Communist and leaving as a Socialist, is a man whose democratic convictions are beyond challenge. Speaking as the Italian member of the Commission of the European Economic Community, he stated that Italy cannot permit herself to accept the loan she has asked from the Community unless she not only can put up collateral but also guarantees "certain changes in structure. To bring them about, the Italian government will need solid support." And Spinelli added, ". . . the responsibility for accepting a loan requires a broad consensus which does not exclude the Communists."

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It is a sign of the times that an Italian Socialist of impeccable standing should express himself in these terms. The fact that he did so in the name of an official European organization is even more significant.

And so it turns out that, in several European countries, the concept not only of a Union of the Left, as in France, but also of Communist participation in government has become plausible even to those who fully recognize the dangers. The seeming evolution of the Communist parties in the West favors this trend, which has also received new support—and gained new impetus—from the recent events in Cyprus, which have not only brought grist to the mill of "right-wing neutralism" but may prove compatible with "left-wing neutralism" as well.

The Greece-Turkey debacle seems to prove, rightly or wrongly, that the United States intends to use NATO for its sole interest and is ready to sacrifice the best and most faithful of allies if that serves U.S. purposes. One would have to have seen the extent of American installations on Crete and in the entire area around Athens to be aware of how much of their sovereignty the Greek governments from 1945 on yielded to the U.S. No doubt the resultant economic aid helped Greece to get back on her feet and to emerge from underdevelopment. The United States assured Greece a prosperity that, out of ignorance and stupidity, the military junta managed to destroy in seven years. In chasing out Makarios and trying to set up a trigger-happy vulgarian as their man in Cyprus, the colonels and the CIA committed an error whose consequences extend far beyond Greece. Dr. Kissinger, in refusing to prevent the Turkish invasion of Cyprus—which the Turks had attempted once before and which the mere presence of the Sixth Fleet could have stopped—ruined whatever trust his country still enjoyed in Europe. No doubt he acted for what he considered viable strategic reasons (Turkey having greater military importance than Greece), but such reasons are hard not only for the Greeks but for European public opinion to swallow.

The joint forces that, from within and without, are easing the Communists into governmental power structures in many European countries—if they have not already been ensconced—are momentarily difficult to contain.

These shifts in the makeup of the power structure do not, as I have said, concern all of Europe. Germany, Austria, Switzerland, the Scandinavian countries, and, of course, Great Britain are not involved. A sort of Graeco-Latin Southern Europe is being formed whose political, if not also economic, evolution separates it increasingly from Germanic, Anglo-Saxon, and Scandinavian Northern Europe. As to the great powers that are of primary importance in Europe—the Soviet Union and the U.S.—whatever upheavals their own societies suffer, they appear to us firmly in the hands of conservative gerontocracies; their political classes are not moved to question the principles of their imperialist policies even when events oblige them to change tactical course. The problem faced by the European Left is whether Dr. Kissinger and the American government will seek to treat Europe as it has treated Chile, Greece, or the Dominican Republic.

Once more, democrats, liberal socialists, and all those whose idealism and "weak sense of reality" are so easily put to scorn are unhappily aware that *realpolitik*—whether directed by Hitler, Papadopoulos or, making all due allowances, by Kissinger—can lead only to war and that in the end it achieves only the opposite of what it promises to do. In associating more closely with the Communists in France, Italy, Spain, Portugal, and Greece, they perform a sort of turnabout, while at the same time they would like to convince themselves that they will lead this association toward a new politics that will not be the *realpolitic* of the Communist bloc. Nothing quite persuades us they are wrong. Nothing allows us to hope with certainty that they are right.

Translated by ADRIENNE FOULKE □

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Culture & Capitalism—A Letter to William Buckley

Dear Mr. Buckley:

I am writing to you today because I was delighted to hear that we share an interest in classical music. Unfortunately, that information came to me in a piece of bad news: that you are closing down or selling out Station WNCN, the only one in New York City to broadcast good music and intelligent news summaries around the clock.

As chairman of the board of the Starr Corporation, which owns the station, you had to make that decision because it does apparently not pay to provide this service. In this capitalistic system, which you so valiantly defend in print and word, the interest of culture has to yield every time it clashes with the interest of money. In a moving address to your listeners, you stated that it cut your heart out, that you yourself were the most faithful listener to your cultural broadcasts. But business is business and the shareholders wish to see a dividend.

I lift my cap to you: here is a man of principle! With that brutal frankness that also distinguishes you as a political orator, you cut through the cant of the apologists of capitalism who daydream of corporate responsibility, countervailing forces, the power of public relations, and other pressures on management decisions. Daunted neither by the hogwash of idle ideologists nor by your own sensibilities as a cultured man and a responsible citizen, you have made the decision that is best for the company.

But unfortunately you dampened my admiration for your courage when you came to the second part of your address to the listeners. You did not fire the salesmen who had failed to sell your station's program to the advertisers. Instead, you appealed to the public to support your station. What? Charity? Like a "welfare bum" you count on the generosity of other people who are honestly making money to support—what? An activity obviously not salable in the free market.

You propose to establish a new station that would carry good music and no advertising. Therefore, with your leave, I have to ask you this question: suppose I and others give you the money to start with—how do you expect to meet the payroll next year? Will the story of WNCN be repeated? You, Mr. Buckley, are now knocking at a door familiar to many, especially in the community of arts and letters, in whose company you never cared to be found: unashamedly you are asking money from people who think that culture ought to be provided, by public money and foundations. There are such people, but they are not in our corporations.

The radio stations follow the laws of Adam Smith and Gresham alone. Since they will not provide the cultural services that in other countries are provided by law, you have to pass the hat now among those who feel a public responsibility for the survival of art on the air.

May I point out to you, Mr. Buckley, an inconsistency in your appeal. The donations you solicit will be tax-exempt—that is to say, the U.S. Treasury, i.e., the public at large, will pay 30–50 percent of any sums you collect. Your new station will be tax-supported, just like colleges, museums, opera houses, and other cultural institutions. You are giving at least a finger to the Devil of *public broadcasting,* whom you elsewhere denounce as an enemy of freedom.

Please don't get me wrong. I wish you full success. I hope that publicly supported stations will become the rule rather than the exception. I hope so for the very selfish reason that the free market does not supply the services you and I, as representatives of a weighty minority, miss so dearly. The market ordains that there shall be trash on the air. Please believe that I do not begrudge you the profits that Starr may earn by giving the advertisers what they think the public wants. But won't you join me in pleading for an arrangement that would supplement the free market: some public broadcasting for the benefit of those whose needs the market fails to supply?

I am asking you this question in all candor, asking you as the person you are, as a defender of American individualism and a free-enterprise ideologist who knows however—so I conclude from your public appeal—that even a business community cannot survive long without a minimum of cultural institutions. If the business community lacks the intelligence to recognize this need, if neither its market mechanism nor its generosity or, what amounts to the same, its insight into its long-range interests provides for the existence of a cultural elite—its servants, ideologists, apologists—then that community dooms itself to extinction. It is cutting off the head with which it thinks and feels.

HENRY PACHTER □

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H. Brand

Inflation in the Welfare State

Inflation has presented an intractable problem for post-Keynesian aggregate demand management. It has not responded to direct intervention through wage-price controls. A failure of policy has been reinforced by a failure of explanation. Neither high employment and "low" unemployment rates pressing on labor costs and hence on prices, nor the growth of corporate market power imparting an "upward bias" to price levels, persuasively explain the persistence of inflation. But inadequate as they are, such explanations remain important for the assumptions from which they derive—i.e., assumptions as to the underlying stability or self-adjusting nature of the economic system. By maintaining a certain level of unemployment, it is believed, wage claims and therefore price pressures can be moderated; and by "promoting competition," the market power of corporations can be curbed. The system's equipoise can thus in time be restored.

Insofar as these views premise a measure of control over a system conceived in terms of the national state, their theoretical underpinnings have been rendered progressively useless over the past decade, first, by the worldwide compass of American markets and investments, and second, by the worldwide inflation that has accompanied their rapid expansion abroad. Historically, the commitment to "full employment without inflation" represents a kind of social compact between antagonistic *national* classes and interests. This compact—the term is legitimated by the Employment Act of 1946 and analogous legislation elsewhere—has committed the state to full (or high) employment and the expansion of income security. It was a compact also supposed to leave the direction of capital investment, as well as the volume of funds any firm or individual would invest, to private enterprise—with deficits from required full-employment levels to be compensated by means of appropriate fiscal and credit policies. This compact was never fully observed in the United States. Except during war years, the jobless rate remained above the socially acceptable minimum of at most, perhaps, 3 percent; and income security improved very slowly, being withheld from large strata of the working and nonworking population. Governmental efforts to combat inflation, essentially a policy of constraining wage claims, consistently took precedence over attaining full employment and income security.

Limits were nevertheless observed, which prevented the unemployment rate from exceeding certain bounds, except temporarily. But the fiscal and monetary policies that made this possible can no longer be so freely applied. *Their* limits are now largely determined by forces beyond the control of national authorities. Thus, worldwide inflation —and more fundamentally, of course, the worldwide involvement of the American economy—has increasingly tended to weaken the compact upon which the "welfare state" in America has been based.

A unitary explanation of inflation as a historical phenomenon for the past three decades is hard to formulate. The concern with inflation must be viewed against the more usual perspective of capitalist crises as periods of depression, unemployment, and falling wage and price levels, resulting from

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"overproduction" and structural dislocations. At first blush, inflation seems to present aspects far less "critical." The terms under which the economy has been managed over the past three decades may, however, have concealed growing structural stresses and tendencies toward overproduction.

The problem of industrial production in modern capitalism remains one of incipient *deflation,* of potential surfeit rather than a shortage of goods and the capacity to produce them. Thus there have been only a few periods of cyclical upswing during the post-World War II era when, for example, the demand for consumer goods exceeded the industrial capacity to deliver them; and such periods have been brief. Shortages of automobiles, TV sets, refrigerators have been rare. Style changes, heavy advertisement, and "discount" sales have been consistently used to spur demand. In agriculture, an elaborate system of price supports, acreage restrictions, and an aggressive, government-conducted campaign promoting farm sales abroad have been designed to prevent surpluses. Part of this system of "supply management" has been discarded, not because underlying conditions of potential surplus have changed, but because of the rising power of agrobusiness. The shortages of the early 1970s were largely brought about by deliberate cutbacks in potential supply; but it will not prove possible to create a kind of worldwide cartel sustaining such cutbacks (and there is no evidence of such an intention). The long-term trend toward lower agricultural prices is thus likely to reassert itself.[1]

A number of service industries have similarly experienced recurrent overcapacity. Air travel has been mentioned as an example of a "soaring consumer demand" that causes inflation.[2] Demand for air travel has indeed soared, partly because of the decline of railroad and steamship transportation. Yet the ratio of passengers to seat miles has steadily averaged less than 60 percent of airplane capacity. In telephone communications, serious supply bottlenecks have not occurred in 25 years in the United States, nor in electric and gas utilities (except briefly in New York City), nor in freight transport, financial services, etc.

Oversupply has to some extent been averted by oligopolistic market dominance; by creating vast infrastructures, such as the federal highway system, which intensified automotive consumption; by pushing exports; and by consumption-inducing tax incentives, such as homeowners enjoy. The decline of such industries as railroads, steel, and textiles has been partially offset by substantial investment credits, and by import quotas, raising the true price of their products. The maintenance of high farm income has entailed huge, inherently unproductive subsidies. Defense and space expenditures have absorbed immense amounts of manpower and capital. The dislocation of rural labor, especially in the South, has resulted in vast support outlays, i.e., in consumption without production on the part of the recipients. Thus efforts to offset the tendencies of modern capitalism toward inner crisis have in general required inflationary measures.

Until recently these measures have at least partially succeeded. But in time their limits are set by the world market. Relative costs cannot for long be allowed to get much out of line with those of rival economies. This does not mean that such specific measures as those mentioned—and their beneficiaries have close ties to the center of power—will be discontinued. On the contrary: the preservation of social privilege and, to some extent, social peace hinges on them, thereby precluding their voluntary abolition. Rather,

[1] Space does not permit a detailed review of the evidence. But see the authoritative articles by Edwin P. Reubens, "The Food Shortage is not Inevitable," in *Challenge,* March–April 1974, p. 48 ff; see also D. Gale Johnson, "Are High Farm Prices Here to Stay?," in *The Morgan Guaranty Survey,* August 1974, p. 9 ff.

[2] See Irving S. Friedman, *Inflation: A Worldwide Disaster* (Boston: Houghton Mifflin, 1973).

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the objective of governmental inflation-reducing policies (in relation to productivity trends) will be the stabilization or even relative reduction of the wage bill and of income security.

THE SUPPRESSION of the economy's crisis tendencies by means that are essentially inflationary has perhaps accentuated the expansionary forces also inherent in this economy. This has happened all the more so since the state has borne much of the cost of the research and development required for technological advance, and since it has borne all of the cost of securing access, politically and militarily, to world markets and investment opportunities. It would go too far to probe what the limits are of constantly adapting and maintaining the institutions safeguarding such access security; the spread of multinational business under American aegis and in partnership with foreign firms does not "pay for itself" if it generates resistance increasingly costly to overcome.

Rather, our concern is why this economic expansion, which accelerated after about 1960 and still more after about 1965, should have been inflationary. That in fact it was inflationary seems beyond doubt, unless it merely coincided with but was not integrally related to the enormous amount of credit created over the past decade or so by an increasingly supranational banking system and its corporate clientele—a system fueled by the U.S. balance of payments deficit, dominated by American firms, and abroad virtually free from the constraints of national monetary authorities. The growth in the book value of the foreign assets of American corporations—from $33 billion to $86 billion between 1960 and 1970—is frequently cited as the relevant key indicator; but estimates of book value tend to be highly conservative. ". . . [Given] the practice of extensive local borrowing, [multinationals'] control of overseas assets is substantially higher than the book value of long-term equity and debt held abroad." [3] Such local borrowings have largely been financed by U.S. bank branches overseas, whose deposits rose by a factor of ten, to nearly $60 billion, in 1965–1972 (deposits at commercial banks in the U.S. rose by only about two-thirds over the same period).

Credit spells an expansion of purchasing power for those receiving it, and thus translates, where it is large-scale and governments or large enterprises are involved, into the preemption of existing resources.[4] Parts of such resources may be recombined to create new plant and equipment which then produce goods and services more efficiently, presumably compensating for the earlier price pressures. But it is not known how large a portion of the international credit pool has in fact generated such recombinations, or the extent to which these have indeed raised productivity. Credit has undoubtedly facilitated the acquisition of foreign firms by the multinationals; such "investments" often serve to ensure the control of markets and raw materials, and also become costs on the books of the buyers and are then reflected in higher prices. International credit has, moreover, financed the balance of payments deficits of various countries, supporting consumption standards that native productive capabilities may not normally have warranted.

Yet credit creation, and therefore resource preemption, has been at the heart of capitalist expansion, certainly for the past 125–150 years. In the past, it tended to raise prices in some industries, or locally, or regionally; but the intensity and geographic extent of worldwide inflation as it has been experienced for the past decade is without precedent, except for periods of war. The Vietnam war was the only major military

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[3] United Nations, *Multinational Corporations in World Development* (New York: U.N., 1973), p. 15.

[4] Joseph Schumpeter, *The Theory of Economic Development* (Cambridge: Harvard University Press, 1934), p. 107.

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conflict in this decade; its inflationary impact remained temporary, and was spent by 1968 or 1969. The rise of supranational banking and of the multinational corporation, together with the decay of a centralizing credit control mechanism (a function that the Bretton Woods agreement was intended to serve after World War II, and that the Bank of England exercised for the 50–75 years prior to World War I) represent new structural features in the world economy. The organizational scale of these structures imparts to the struggle over resources and investment opportunities altogether new dimensions, where possible financial limitations, moreover, are often overcome with the aid of governments. Such conditions lend impetus to the rise of international price levels.[5]

The particular virulence of inflation in the past 12–24 months cannot of course be ascribed directly to the expansion of multinational firms and international credit. It has largely been associated with enormous increases in the price of primary commodities, including petroleum. To cite some illustrative rates of gain, the average price of all primary commodities rose by 61 percent in the year ending in the fourth quarter of 1973, while manufactured goods in export increased by 22 percent. The difference between the two rates of change has led to the widespread belief that real resources are being redistributed from the developed countries, where the great bulk of manufactures in world trade originate, to developing countries, which depend heavily upon the export of raw materials.

This question can only be briefly dealt with here. First of all, it should be noted that much of the commodity boom has been the result of the simultaneity of cyclical expansions in all major industrial countries. For primary commodities other than petroleum, states a United Nations report, "the price increases (since the end of 1972) reflect, to a considerable extent, a conjunction of largely temporary—though acute—shortages of some commodities due to climatic and other factors, and an unusually rapid acceleration in demand." [6] Temporary conditions do not make for a permanent pattern of resource redistribution.

Second, the main beneficiaries of the commodities boom were the industrial countries themselves. "Exports from developed market economy countries in 1973 benefited particularly from the price increases for grains, meat, and textile fibers," state the United Nations. The increment in export earnings attributable to nonpetroleum primary products was almost three times higher for the industrial countries ($29 billion) than for the developing countries ($11 billion).[7] The continuing rise in the prices of manufactured goods, combined with the notorious volatility of primary product prices, and the still growing burden of petroleum costs, places the developing countries in a most critical economic position, one that cannot be remotely characterized by the notion that real resources have been redistributed in their favor as a result of booming commodity prices.

Third, however, there can be no doubt that the rise in petroleum prices, effecting roughly a tenfold increase in the real value of all trading countries' petroleum imports, does represent a massive transfer of real resources to the producer nations. But the consequences of the transfer remains in question, for the trade deficits resulting from

[5] See for example Frank E. Morris and Jane S. Little, "The Role of the Euro-dollar," in *The Changing World of Banking,* Herbert V. Prochnow, ed. (New York: Harper & Row), especially pp. 98 and 103. See also Otmar Emminger, "Inflation and the International Monetary System," in *Inflation and the International Monetary System,* Otmar Emminger et al. (Washington, D.C.: Per Jacobson Foundation, International Monetary Fund, 1973).

[6] United Nations, *Problems of Raw Materials and Development,* Note by the Secretary General of UNCTAD (New York: UNCTAD/OSG/52, April 4, 1974), pp. 4 and 5.

[7] *Ibid.*

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the increased prices will partially be offset by the investment of earnings in the assets of importing countries (involving merely the exchange of property titles); by profit remittances of the oil companies to their domiciles; and by earnings on such invisibles as shipping, owned mainly by the nationals of developed countries. The problem is how individual nations, such as Italy, which do not stand to benefit very much from these offsetting transactions, will meet their growing deficits without imposing barriers on imports and forcing exports which, in turn, would tend to depress the economies of such countries as Japan and Germany. The United States remains in a relatively more protected position, because of its own vast resource base and the likelihood that it will be the main recipient of the investments of petroleum producer nations, as it has also been their major arms and capital goods supplier.

These questions cannot be addressed here, nor the question whether high petroleum prices are contributing to the danger of a worldwide depression. To those like the London *Economist,* who insist on adopting a "longer term" view, it must be conceded that petroleum is a highly specialized commodity, exposing its producers to the vulnerabilities of specialization; that serious efforts in the economy of its use have only begun to be made; and that the high price has accelerated the development of technologically less accessible wells in the proximity of consumer countries, as well as substitutes. These developments must in time lessen dependence upon the producer countries and reduce the relative price of their output.

But in the "shorter" run, high petroleum prices will be passed on to ultimate consumers. Normally, a rise in the cost of a product restricts its markets. But it seems unlikely that the incalculable decline in the industrial countries' output and exports, which the "normal" course would entail, will in fact occur or will be permitted to occur. The rise in costs is bound in part to be shifted to working people, whose pay and benefits will drop in relation to price levels—as has already happened in the United States and elsewhere. To the extent that trading countries or trading partners prove unable either to absorb or to pass on the higher costs, they are likely to be given large-scale credits (as witness the $3 billion credit extended by Germany to Italy). It is thus possible that the world trading and payments system will adapt to the new conditions, under which a set of new guests have forced their way into the dining rooms of the world's oligopolists. But the bill in terms of the deterioration of standards of living and of a rapidly worsening situation in the poorer countries (exacerbated in part by spiraling prices of manufactured as well as petroleum imports)—that bill remains to be presented.

II

All this means that inflation has been inherent in the post-World War II economic system, as an offset to crisis tendencies and as a result of a coincident worldwide economic expansion under conditions of large-scale structural changes. But there is an alternate possibility, namely that the "welfare state," far from falling victim to the dynamics of incipient capitalist crisis and the uncontrollability of capitalist expansion, has in fact narrowed the scope of the "free market" by politicizing the allocation of resources, using deficit finance to preempt them. Deficit finance and such other devices as loan guarantees translate into the bidding-up of credit (via rising interest rates); of wages (as public services compete for manpower); and of the prices of goods and services in general. Thus the basic cause of inflation may lie

> outside the economic system itself. . . . The enormous problem of accommodating a historically market-oriented economy to a tide of social demands, and the failure of our political system to contain the growth of social demands within limits tolerable to

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the free market, is the essential first cause of inflation in this society. . . .[8]

This brilliant formulation conceals a somewhat simple-minded view of the "welfare state," which, after all, has never seriously challenged the economic dominance and social privileges of capitalist enterprise, although it has been compelled to share power with state bureaucracies and trade unions, as it did not prior to 1929. More important, the facts cited in support of the view just outlined are scant and subject to a quite different interpretation.

The "welfare state" does not represent a new order of society; it is not socialism, it does not harbor tendencies to socialism, although the political conditions of the "welfare state" may facilitate the development of such tendencies. Rather, the "welfare state," or the "social compact" and legislation that have given rise to the term, represents an attempt to deal with the disruptions and inequities that have arisen from the workings of industrialism and capitalist enterprise. Like trade unions, only on a vaster scale, the "welfare state" is society's defense against the predations of capital. It is conceivable that the social disorder and disorganization bred by "late" capitalism becomes so intolerable, and the defense of a degree of social balance so expensive, that the "limits tolerable to the free market" become indeed too narrow for it to operate. The result, feared in some West European democracies, might be a bureaucratic command economy, heavily weighted on the side of privilege and the entrepreneurial and technocratic middle classes—as in parts of South America. Again, we cannot dwell upon this extreme, but historically realistic possibility. We have merely sketched a brief characterization of the "welfare state," and must now focus on more limited issues.

These issues concern the mechanisms of inflation. Mr. Sommers, the chief economist of The Conference Board who was quoted above, has also said that ". . . public deficits are a principal cause of inflation . . .," although these deficits are understated since they exclude debt issues by federal agencies as well as ". . . the extreme growth of government-guaranteed debt." It is undeniable that the financing of the budget deficit and of government-sponsored and guaranteed loans compete with the financial needs of the private sector. One consequence is upward pressure on interest rates, which spells devaluation of equities, for dividend payments are constrained by the need to finance from "internally" generated funds, a need intensified by the great expense of raising funds in capital markets. But the more important consequence is sharpened rivalry over resources, which results in inflation of prices.

But is this a rivalry between "welfare state" and the "free market"?

Only a few data can be cited to suggest an answer. In the fiscal year 1973 (for which final data are available) the federal government committed itself to make $8.7 billion in direct loans, two-fifths of which went to agriculture, mostly for farm price supports; the remainder was widely distributed, and shows no specific "welfare state" pattern. Perhaps a better indicator is direct loans outstanding (although new commitments are more indicative of actual pressures on capital markets): of the $44 billion of such loans in 1973, 26 percent represented international development and security assistance; 27 percent went for housing and mortgages; and 12 percent for agriculture.

New commitments for guaranteed and insured loans—loans normally disbursed by banks in the private sector but in effect underwritten by the federal government—amounted to over $36 billion in 1973. Mortgage loans insured by the FHA or guaranteed by the VA accounted for nearly half of this total; Export-Import Bank-guaranteed loans accounted for another one-sixth.

[8] Albert T. Sommers, "Forum Report on Inflation," in *Monthly Business Review*, June 1974 (New York: The Conference Board).

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There were loans for higher education facilities, student loans, low-rent public housing loans, and loans for health programs, but these were relatively small. In sum, government loan activity, whether direct or indirect, supported a large segment of private residential housing, as well as the bank and brokerage transactions linked with it; agriculture, with the proceeds of loans going mostly to well-to-do farmers; and economic development abroad, with funds probably going mostly to build up infrastructures, such as roads and utilities, which provide the "external economies" for the spread of private enterprise, including American multinationals. Only a small proportion of government loan activity can be attributed to the "tide of social demands" usually associated with the expansion of the "welfare state." Virtually all of it in effect supported the private sector.[9]

THE "TIDE OF SOCIAL DEMANDS" is more strongly reflected in the federal budget itself, and here the question that concerns us is whether the immense budget deficits of the past several years are ascribable to that "tide." Again, to avoid a lengthy analysis, illustrative data for but one year—fiscal 1975—are offered. The trend in the federal government's social outlays has markedly steepened since about 1965—among the reasons having been the fear of large-scale displacement of labor resulting from automation (which caused manpower programs to be initiated); the intensified struggle for civil rights and urban riots (causing the rapid expansion of manpower and education budgets, and a more generous recognition of the right to family assistance payments); and the growth in the aged population (whose health problems could no longer be resolved through local and state finances, nor of course by means of private insurance, but which demanded a national health insurance scheme).

[9] See *Special Analyses, Budget of the United States Government,* Fiscal Year 1975 (Washington, D.C.: Government Printing Office).

Usually it is not possible to ascribe the deficit, a simple, bottom-line residual item, to any particular budget factor (except in wartime when military outlays by far outweigh civilian spending). It should be noted, however, that of the roughly 55 percent of the 1975 budget estimate, which will be expended for "selected social programs," well over half is virtually self-financing. That is, it will be defrayed from trust funds for social security, health insurance, unemployment insurance, the railroad retirement fund, etc. Such self-financing is by definition noninflationary. Trust fund surpluses have in fact financed substantial portions of what would otherwise have been a much larger reported deficit: the deficit of $14.3 billion reported for 1973, for example, would have turned into one of $25 billion, had it not been for a trust fund surplus covering the difference.

The reason for the deficit must be sought in the pattern of taxation; it cannot be found in the pattern of government expenditures. It is fairly well known by now that the progressive income tax has steadily declined as a source of federal revenue, while payroll taxes, which burden lower-income recipients most, have increased. In 1965, federal personal and corporate income taxes accounted for 64 percent of revenue; in 1973 for 59 percent, with corporate tax revenues alone declining from 22 percent to 15 percent. (Over the same period, personal income rose by 74 percent, and corporate profits by 20 percent.) The share of trust fund receipts expanded correspondingly.

More important, since the "New Economics" made its bow in the early 1960s, tax cuts have by far exceeded tax hikes. According to one authoritative estimate, federal revenues in 1973 would have been $45 billion higher than they actually were, had 1963 income tax laws prevailed.[10] It is true that state and local tax rates have risen, but

[10] Charles L. Schultze et al., *Setting National Priorities: The 1973 Budget* (Washington, D.C.: Brookings Institution, 1972), p. 406.

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it is doubtful that the overall income tax burden has increased.

While this brief analysis lays no claim to being conclusive, it indicates that the "tide of social demands" is unlikely to have contributed to federal deficits, and that it had even less impact on federal loan programs not reflected in the budget. This is not to say that competing demands for funds and for the resources they purchase do not result in inflationary pressures. They do. But these pressures could, as Keynesian analysis teaches, be relieved through tax hikes and the expansion of the tax base. It is here that the conflict between private enterprise and social needs, as translated by the institutions of the "welfare state," is most clearly reflected. The reasons why taxes have in fact been reduced—or, better, for the tendency to refuse increases in tax rates as well as significantly redistributive tax reforms—are embedded in conservative resistance to expansion of the domestic reach of government, and the discriminating use of the tax system to maintain consumption standards and investment incentives.

The "fiscal philosophy" and real interests that have underlain this policy have predominated throughout the post-World War II era, although attitudes toward fiscal policy have become more sophisticated. Yet, this "philosophy" now faces problems. The inability of a Republican administration, despite its ideological commitment and affinity with the fiscal conservatives, to deal with immense budget deficits, vitiates the use of the tax system for "countercyclical" purposes. The deficits reflect consumption and investment priorities that resist taxation adequate to defray the social costs to which these priorities contribute, as well as the military and related costs that in large measure sustain them. But somehow these costs must be met, and the deficits thus come to be a source, perhaps the most important source, of financial difficulties that, in turn, generate growing investment disincentives and tend to restrict consumption. I regard these contradictions as endemic in modern capitalist society, and not the result of political tensions imposing themselves upon an otherwise sound economic system. In time, they must be resolved; the question is, at whose expense.

III

To a limited extent, the question can be viewed in the perspective of economic policy in the post-World War II era. During this era, inflation of course has been a central concern of economic policy, while the goal of full employment, implicit (not explicit) in the Employment Act of 1946, has generally been subordinated to an attempt at stabilizing price levels and balancing the budget. Thus the cost of inflation was borne mainly by those who lost their jobs, were unable to obtain jobs, or whose opportunities were restricted because of the lack of good jobs. The precedence that price stabilization attempts took over employment goals is easily documented—for the '50s, when "public policy . . . concentrated primarily on curbing inflation";[11] for the '60s, when the Council of Economic Advisers under Walter Heller stipulated an unemployment "target" of 4 percent in line with a roughly calculated "trade-off" between "economic slack," if the rate rose above the "target," and prices rising too rapidly, if it fell below; and for the early '70s, when an even higher rate of unemployment was deliberately sought.

Leon Keyserling, voicing the concerns of economists close to labor, deplored "the immense economic error and social crime of making the unemployed and other vulnerable groups bear an unconscionable burden of fighting inflation."[12] And it should be

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[11] Joint Economic Committee, U.S. Congress, *Employment, Growth, and Price Levels.* Report (Washington, D.C.: Government Printing Office, January 26, 1960), p. 3.

[12] Leon H. Keyserling, *Wages, Prices, and Profits. Phase II Guidelines vs. Appropriate Policies* (Washington, D.C.: Conference on Economic Progress, December 1971), p. 13.

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noted that, aside from the fact that even the 4 percent "target" was attained only for brief periods, some groups of workers, such as blacks, experience unemployment rates much higher than the reported average rate.

Yet the conceptions basic to Keynesian and post-Keynesian economics, subscribed to by Keyserling and others of his persuasion, have been disintegrating under the impact of worldwide inflation. It has proved to be virtually impossible to attain high employment levels even by inflationary fiscal and monetary measures. (In 1972, fiscal policy was such as to produce a deficit amounting to the equivalent of one quarter of that year's increase in the national product, yet unemployment never fell below 5 percent of the labor force). At the same time, the belief that unemployment, representing an "excess supply" of labor, will drive wages down, at least below prevailing average wage levels—a belief upon which postwar economic policy has in large part been based—has failed to reckon with the significance of wage standards for living conditions and the cultural needs of working people, which cause the unemployed among them to resist lower-than-accustomed wages.[13] It is beyond doubt possible to drive wages down—or hold them stable—by creating unemployment or by maintaining an "excess" supply of workers by, for example, encouraging immigration or internal migration. Moreover, tax relief and subsidies for business can improve the "trade-off" between labor costs and capital costs to the advantage of the latter. But the presence of a strong labor movement limits—though it does not deny—the success of such manipulations of labor markets, and this has been recognized implicitly in the recurrent proposals for wage-price guidelines, as well as in the wage-price controls imposed by the Nixon administration beginning in 1971. The efficacy of such controls, however, hinges upon the extent to which national authorities are able to limit the impact of world markets upon the economy. The economic developments of the past decade, as well as the experience with the control effort itself, have made it patent that this ability is waning.

"Income policies" continue to be advocated by high-placed officials and economists, and a stricter version of the 1971–74 wage-price controls may one day be instituted. But post-World War II experience with income policies in Western countries has demonstrated their tenuousness; they were regularly swamped by fresh inflationary tides shortly after their adoption.[14] The imposition of a stringent "controlled economy" in the United States, entailing surveillance over profits and their investment, seems an unlikely development; the internal political risks would be too great, and, moreover, the worldwide stakes of American capital are too large for it to eventuate in the foreseeable future.

Labor in capitalist society remains a commodity which, like any commodity, can be underbid. That this should be so has been passionately disputed by workers and their unions; their struggles against wage cuts, for wage floors, nonwage compensation, better job conditions, etc. attest their resistance to being treated as "commodities." More important, the social and economic legislation of the "social compact" prom-

[13] See Robert E. Hall, "Why is the Unemployment Rate so High at Full Employment?" *Brookings Papers on Economic Activity*, No. 3, 1970.

[14] The subject cannot be pursued here. But see Lloyd Ulman and Robert J. Flanagan, *A Study of Incomes Policies in Western Europe* (Berkeley: University of California Press, 1971). The authors write: ". . . [incomes policy] has not been very successful. . . . In none of the variations so far turned up has incomes policy succeeded in its fundamental objective, as stated, of making full employment consistent with a reasonable degree of price stability." (See p. 11.) One reason for this lack of success, not mentioned by the authors, is that, as Shonfield has written, proponents of incomes policy ignore the fact that they are asking wage earners to accept the existing distribution of income and wealth as basically fair. See Andrew Shonfield, *Modern Capitalism: The Changing Balance of Public and Private Power* (London: Oxford University Press, 1965), p. 217.

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ised to attenuate, even if not eliminate, the commodity character of labor. But the evident threat posed by inflation to social stability and to the viability of core economic institutions imposes upon national authorities the need to attempt to contain it. High economic policy officials appear to be contemplating a much-reduced growth rate for the economy, which would very likely spell unemployment on a larger scale than has yet been experienced during the post-World War II era. Several years of pursuing a slow-growth path have been contemplated. It should be noted that this policy would come at a time when national output has ceased to expand significantly, and unemployment is already fairly high. Thus we are entering a period during which the disintegration of the "social compact" of 1946 will accelerate. The economic position of large portions of labor, precarious already, seems likely to deteriorate, which will unquestionably arouse resistance.

The question is, can inflation thereby be contained? It seems unlikely. It may well be that the trade union leadership, fearing that wages will be underbid by unemployed and underemployed workers (as has happened in the construction industry) will agree to a renewed wage-price control effort, which would seek to tie changes in the wage level to changes in productivity, with the understanding that prices would remain relatively stable. But it is a mistake to believe that prices can somehow be controlled.

First of all, it is almost impossible to stop corporate managers from changing the quality content of manufactures and services so as to evade the purpose of price controls. More fundamentally, there are many markets where prices are not controllable because they do not exist until contracts are concluded. A possibly growing proportion of such capital goods as ships, nuclear plants, jet engines, communications satellites, computers, industrial and office structures are produced on the basis of specifications suited to the purchase. It is hard to see how a price control effort can effectively encompass them.

Furthermore, there are many products, such as those made for the military, for which no genuine markets exist, and where costs may not be controllable for reasons inhering in the problems of the advanced technologies used and the initial inexperience of those developing them. (A recent report to the Joint Economic Committee of Congress by the General Accounting Office examines 45 selected weapons systems whose costs had risen by $37 billion over original estimates owing to both "inflation" and technical problems.[15]) Finally, the manufacturer who is hurt or feels cramped by price controls frequently has the option to move some of his operations abroad or to seek foreign outlets where his prices are under no administrative constraints. This is of course what many American producers of chemicals and plastics did in 1973, since export sales then offered much higher returns than price-controlled domestic markets.

LARGE-SCALE UNEMPLOYMENT in the United States, if it should be allowed to develop, would indeed cause consumer goods output to contract; but as has been indicated, the consumer goods sector has not been an important source of persistent inflation, unless a large proportion of its products was shipped abroad, as in agriculture; and the possible weakening of consumer goods prices, which would be caused by lower demand engendered by rising unemployment, would not greatly affect inflationary tendencies. For these have been generated by the expansionary drive of multinational corporations, in combination with the investment needs arising from changing technologies;

[15] *The 1973 Joint Economic Report.* Joint Economic Committee, Congress of the U.S., on the January 1973 Economic Report of the President (Washington, D.C.: Government Printing Office, 1973), p. 66.

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the vast resource and technical requirements of military establishments; space installations; and state-aided air and land transport development, which are subject to frequent costly technological accretions; and so forth.

The specific economic impact of these developments could not be examined here. We have merely offered the argument that they conceal the crisis tendencies of modern capitalism. The scale of those developments and the network of interests that grows in their train result in increasing long-term inflationary pressures, although cyclical booms will intensify and recessions will moderate them, as will occasional cutbacks in costly nonproductive projects. In effect, inflation spells a redistribution of income to the above interests, and no "economic policy" dabbling in the management of "aggregate demand" can come to grips with *them.*

Some economists and ecologists have attributed inflation to what they hold to be the diminishing viability of economic growth. Economic growth, they argue, is inherently wasteful of scarce materials and endangers the balance of nature. Inflation, they hold, reflects these increasing scarcities, as well as the costs necessary to restore the environment. Much of this analysis is true. But it must be realized that economic growth signifies more than a particular direction of corporate and public investment. It represents a *modus vivendi* of "late" capitalism in the context of mass democracy.

It is possible that the seemingly increasing obstacles to economic growth and the evident uncontrollability of inflation, together with the rapid erosion of living standards it has brought, spell an end to this *modus vivendi.* This is certainly indicated by developments in certain European countries. The end—or, in the United States with its vastly greater natural wealth the constriction—of the *modus vivendi* means that sooner or later control programs, covering prices, wages, fuel, and material uses, even credit, will be introduced afresh, and implemented more resolutely than before. This is not a matter one can be "for" or "against"—it will have to be done if chaotic situations are to be avoided. The questions that must then be faced go beyond, or at least are quite different from, such matters as collective bargaining strategies or tax equity. They entail a struggle over the political and economic relations underlying inflation, which the control programs will be designed to help preserve. In this respect it is significant that the short-lived price control program introduced under President Nixon was carefully structured so as to increase "critical" supplies by encouraging selective increases in prices and profits. The controls did not survive, but their central conception did, and is bound to become a prominent feature in any future controls program.[16]

What the struggle over economic and political relations means concretely cannot be spelled out in detail. But among its fundamental objectives should be the reordering of social priorities toward humane uses, entailing not only a radical shift in federal budget funds, but one in the range of corporate investment allocations as well. To compel such a reordering, however, is no easy matter, and it involves much more than legislative bargaining. It demands a new "social compact," based perhaps on a broad coalition of Left and Left-leaning forces. The history of such compacts, however, teaches that they do not come without harsh compulsions. □

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[16] See the statement by John T. Dunlop, Director, Cost of Living Council, in *The 1974 Economic Report of the President,* Hearings before the Joint Economic Committee (Washington, D.C.: U.S. Congress), Part 2, p. 233 ff. That the Ford administration favors price increases to expand "critical" supplies is shown when it urges state public utility commissioners to allow rate hike applications; when it refuses to impose export controls on scarce food stuffs and materials (such controls could of course be administered to extend generous aid to needy countries); and when it fails to deal seriously with conservation measures.

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Socialism and Scarcity

Though it is the policy of DISSENT *not to review books by its editors, we are printing below two discussions, sent in simultaneously but independently, of Robert Heilbroner's* An Inquiry into the Human Prospect. *Clearly, this book raises some major questions, not only for democratic socialists, but for anyone concerned about the future of the human race.*
We expect and hope that this discussion will be continued in future issues.—ED.

I

Peter Clecak

A Grim Vision of the Future

Although it has received considerable attention, Robert Heilbroner's most recent book may easily be lost in the glut of social commentary—filed away as this year's most stylish doomsday tract. This would be a shame if I am correct in regarding *An Inquiry into the Human Prospect* as the most important work of one of our leading social critics. It brings into focus a series of urgent questions concerning the theory and politics of the democratic Left.

For more than a decade, Heilbroner has been preoccupied with the growing difficulty of imagining the future as other than a continuation of the misery of the past. Beginning with an interest in determining the capacity of people to organize social systems so as to insure both material advancement and freedom, he reached the somber conclusion during the 1960s that the main issue is no longer the achievement of happiness on a base of material progress, but survival. Heilbroner's social thought in the '60s emphasized the tragic dimensions of present and future, even under the best conditions imaginable. A slender hope for mankind was sustained by the possibility that people in very different circumstances might alter their social systems so as to alleviate internal crises and disintegration, advance humanist values (however circuitously), and reduce international tensions to manageable proportions. The best hope, he felt, was that forms of industrial socialism might become more democratic; advanced capitalist nations might be transformed into more just social orders, gradually becoming less dependent upon modes of neo-imperialism; underdeveloped nations might begin the long road to survival through authoritarian revolutionary governments that minimized the inevitably brutal ascent from economic chaos.

This vision was problematic, an attempt to discern the most hopeful outlines of a future within obvious, if not precisely measurable, limits: there were limits to human will, limits on the capacities of both capitalism and socialism, and limitations on the future imposed by the cruel legacy of the past. But Heilbroner's precarious vision of the '60s did not emphasize a final factor—the limits imposed by the natural environment. Toward the end of the decade, however, he became convinced that the ". . . ecological issue . . .

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may indeed constitute the most dangerous and difficult challenge that humanity has ever faced." The intrusion of this additional dimension occasions *An Inquiry into the Human Prospect.*

Heilbroner previews the conclusion of *The Human Prospect* by declaring man's outlook

> . . . is painful, difficult, perhaps desperate, and the hope that can be held out for his future prospect seems to be very slim indeed. Thus . . . the answer to whether we can conceive of the future other than as a continuation of the darkness, cruelty, and disorder of the past seems to me to be no; and to the question of whether worse impends, yes.

The argument for this conclusion is deceptively simple: delineating the external challenges of the interactive effects of population growth, war, and environmental deterioration, Heilbroner then estimates the human capacity for response by offering some observations on the dynamics of political behavior.

Heilbroner surveys the demographic outlook for Latin America, Southeast Asia, and Africa, concluding that despite programs of birth control and the Malthusian checks of famine and disease, the race between population growth and productivity can lead to only two imaginable outcomes: a steady deterioration in the quality of life to subhuman levels in many regions, or, more probably, a rise of authoritarian, even military governments bent on introducing socialist modes of production. But the painful process of economic development in these circumstances can no longer be expected to remain a purely internal matter, for as the condition of billions degenerates, the disparity between wealthy, industrial countries and the poverty of nations under revolutionary regimes raises the possibility of international wars of redistribution. The threat of holocaust engendered by the superpowers becomes less imminent than the possibility of nuclear blackmail and, Heilbroner would now add, economic forms of blackmail by poor nations possessing scarce resources.

These factors in the external challenge are greatly exacerbated by the overarching problem of environmental deterioration. Rather than assuming that economic growth provides the space for resolving major social problems everywhere, albeit at an uneven rate and with different consequences for various people, Heilbroner calls attention to the limits of industrial activity imposed by the natural environment. The short-term problems of industrial growth—resource availability, energy crises, and pollution—are placed in the larger context of the amount of heat, emitted to some degree in all industrial processes, that the biosphere can tolerate. At present rates of industrial growth, the amount of energy expended within, say, 150 years, would begin to raise temperatures by several degrees, precipitating serious climatic disturbances and raising the imperative of leveling off, indeed, of cutting back levels of production. Even allowing for new technologies, fresh sources and more sophisticated uses of energy, the social processes would approach a natural threshold that, if passed, might end in the extinction of life.

But Heilbroner does not wish to project a science-fiction apocalypse. Acknowledging the imprecision and theoretical reductiveness of the exponential calculations of neo-Malthusians, he uses the rough indicators of the outer limits to growth to illuminate what he regards as the central external challenge: ". . . the inescapable need to limit industrial growth. . . ." To gauge the adaptive properties of capitalism and socialism, Heilbroner employs the concept of ideal types rather than concentrating primarily on isolated examples of either system. This critical probe involves an interplay of three rough time frames: the short run of a decade (which he considers unpredictable); the intermediate period of perhaps half a century; and the longer range beyond. It is this last opaque perspective that brings Heilbroner's version of the middle range into sharp relief.

As an economic order, capitalism is char-

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acterized by private ownership of the means of production largely controlled by a relatively small class, and a market system ". . . that determines the incomes and distributes the outputs arising from its productive activity." The complex bourgeois ethos is shaped primarily by the competitive drive for wealth and success. The intermediate prospects for capitalism hinge finally on the system's ability to reach a stationary state: otherwise, the drive for continuous expansion of output will approach the outer limits of resources and environmental pollution. To ease the transition, growth might be shifted temporarily to the service sector—health, education, literature and the arts, the administration of justice—where outputs require comparatively few resources. Though perhaps economically possible, "stationary capitalism" (a notion advanced in more hopeful terms by Mill a century ago) would exact the price of governmental intervention on a large scale, amounting to full-fledged state capitalism, with wages, prices, profits, and shares of the market subject to strict control. The government would also supervise the expansion and refinement of the techniques of the welfare state, without benefit of the social lubricant of a rising GNP.

Fraught with difficulties of its own, this economic scenario is vastly complicated by the need to discover ways of managing social tensions developing out of the disparity between material expectations and total output. Partial redistribution of wealth carries ominous political implications, a convulsive transition that would doubtless engender heightened class conflict, and perhaps something of a Hobbesian struggle of each against all. Clearly the fragile political institutions of representative democracy are insufficient for managing the transition to such an environment. An expanding capitalism has failed to bring about the dramatic increase in social well-being that its prophets had hoped for; a "steady state" revision of the system would probably do no better, and it would certainly decrease the scope of liberty.

Heilbroner begins his assessment of socialism with the classic minimum formulation: the substitution of public for private ownership, and direct planning for the market. He distinguishes three principal types of socialism. The dominant features of industrial socialism (exemplified by the U.S.S.R. and much of Eastern Europe) are an industrial apparatus, similar in structure and outlook to that of capitalism, and a ". . . highly centralized, bureaucratic, and repressive social and political 'superstructure.'" Though similarly marked by a repressive superstructure, revolutionary socialism—the second principal branch of this unhappy family—lacks the productive apparatus of the industrial type (China). In contrast to the major variants, the offshoot of democratic socialism is characterized by a high level of productivity, democracy, and decentralized control. But "socialism with a human face" cannot be so easily analyzed inasmuch as it exerts historical influence more as idea (or hope) than as reality.

Heilbroner suggests that in the short and intermediate ranges, forms of industrial socialism possess clear if limited advantages over capitalist systems. Freed from the ideology of private property, a directly planned economy could probably adapt to stationary equilibrium more easily than capitalism. But the problem of finding politically workable formulae for distributing a dwindling output of goods in societies where material incentives remain a propelling force sharply reduces the long-term chances for democratically governed socialist nations.

Despite differences in the short and intermediate ranges, then, Heilbroner believes that capitalism and socialism (industrial or democratic) will confront a converging array of problems rooted in the inability of advanced industrial civilization to come to terms with the ecological need of limiting and ultimately curtailing growth:

> . . . *whether we are unable to sustain growth or unable to tolerate it,* there can be no doubt that a radically different future beck-

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> ons. In either eventuality it seems beyond dispute that the present orientation of society must change. In place of the long-established encouragement of industrial production must come its careful restriction and long-term diminution within society. In place of prodigalities of consumption must come new frugal attitudes.

Neither system has a long-term advantage in the transition to a radically different future. And it may even be that the impending changes cannot be brought about by the conscious efforts of men, but rather through an even grimmer determinism of a series of limited catastrophes.

To substantiate this somber assessment, Heilbroner offers some hypotheses about the political dimensions of "human nature." Passing over the unpredictable specific manifestations of political behavior, he conducts a speculative probe of two central—and in his view neglected—aspects of political behavior that may be expected to persist. The crucial importance of political power and authority organized in bureaucratically modern states leads to a consideration of the human propensity for political obedience. In widely differing processes of socialization, infants experience a common period of "omnipotence" followed by a dim realization of "helplessness," which enforces dependence on parental figures. This crucial polarity reproduces itself in the stubborn tendency of adults to seek out leaders and to find security in clearly defined patterns of social order. Conceding that crude versions of this hypothesis serve to justify reactionary ideologies, Heilbroner observes that "it would be foolish . . . not to admit that tendencies toward authoritarian rule seem to be a chronic feature of political life" everywhere.

Along with a "hunger for obedience," Heilbroner emphasizes a "fantasy of identification"—especially national identification—that also begins in the general conditioning processes of early childhood. But the concept of peoplehood has limits: the bonds of identification, which frequently move large groups to concerted action, also serve to exclude others. Ultimately, the human prospect will unfold within the context of nation-states and a general need for political obedience and identification.

By drawing out some of the contradictory implications of these assumptions, Heilbroner clears the way for a final assessment that closes off two utopian modes of "resolving" global problems. The first, advanced by technocrats and echoed by humanists, presupposes the transcendence of the nation-state and the development of a worldwide community based in some projections on abundance, and in others, on scarcity. Given Heilbroner's speculations on the nature of political behavior and its implications for the nation-state, such internationalist modes of resolution must be regarded as fantasies of consolation. The second utopian speculation, at present most evident among radicals, proceeds from a facile assumption of the nearly limitless plasticity of "human nature." Granting Heilbroner's assumption of the need for "welcomed hierarchies of power and strongly felt bonds of peoplehood," however, it is unlikely that scenarios of liberation from the psychological and political molds of the past are on the agenda, either in such countries as China or in advanced industrial nations.

When viewing the human prospect primarily as a struggle for survival, these broad assumptions about political behavior are not, however, wholly negative. The short-run requirements of revolutionary socialism—an expansion of production to meet the minimal needs of everyone—are greatly enhanced by the disposition to obedience and identification. The mixture of patriotism and revolutionary ideology, no less than the formation of rigid hierarchies legitimized by demigods, has been used to advantage in eliciting the efforts of masses of people. The Chinese have been especially successful in lessening economic and social inequalities. But it must be remembered that these efforts have been undertaken within the framework of an ex-

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tremely rigid political hierarchy. Without such political control, one suspects, liberation from elemental forms of misery would never have come about. Heilbroner thus acknowledges the crucial importance of the Chinese experiment without romanticizing it.

The main body of the text defines the external challenge and brings into clearest focus the middle-range prospects for adapting to it. In "Final Reflections on the Human Prospect," a sort of coda, Heilbroner's exercise in social forecasting does not lead to a death sentence for the human enterprise, but it comes perilously close. He can offer no more than the hope of a "contingent life sentence," a painful transition to a problematic future in which he, and most of us, would have no place. If the external challenge can be met, he suggests, the postindustrial future, in its dominant cultural forms, may resemble preindustrial societies: the complex of traits and habits associated with the transformation of the outer world through science and technology may be displaced by a new emphasis on inner states of consciousness, a stratified social order with communally defined roles, and a return to ritual and tradition as sources of vitality and consolation.

Heilbroner is, of course, self-conscious about the utopian character of this stab in the dark, with its assumption of a violent period followed by the restoration of peace, a return to preindustrial forms, we hope at a higher level. This idyll is presented with little enthusiasm, for obvious reasons: "many of these possible attributes of a postindustrial society are deeply repugnant . . ." to Heilbroner's "twentieth-century temper" as well as incompatible with his "most treasured privileges"—the ". . . freedom to order one's life as one pleases . . ." and to indulge in "the most extravagant and heretical thoughts."

In the end, then, Heilbroner must not only acknowledge the customary dilemmas of radical critiques—the politically elusive character of utopian visions; he must also record his failure to imagine a more attractive world. Ruling out the alternative of despair, he adopts a stoic position: to redeem any future, even an unattractive one, from the malaise of the present, he concludes, requires an elemental commitment to preserving the "very will to live." Measured against optimistic visions of the future to which we have been accustomed, this is a pitifully small consolation. But it is all the argument allows.

As a literary structure, *The Human Prospect* is compelling. The unity of vision, the logic of argument, and perhaps most of all the tension between the author's articulated values and his perception of the drift of civilization makes the performance rhetorically convincing. Though an intensely personal statement, *The Human Prospect* has a public source in the shadowy regions of pessimism that pervade American—and much of Western—culture. Heilbroner designs an argument that, if accepted, implies a reconsideration of the fundamental premises of left-wing (and liberal) political theory and program. The primary question, then, is whether this essay should be taken as more than a prophetic warning. Since the terms of the argument preclude any sort of proof, any "answer" ultimately depends upon the degree of congruence between the author's beliefs and the reader's. Those who bring a closed leftist mythology to *The Human Prospect* will quickly dismiss it as "incorrect," one more pessimistic reflection of a culture in decline. Others will pass over the argument as an unreliable piece of futurology.

I find this second response tempting but finally inadequate. The essay remains for me both fascinating and disturbing. Prior to *The Human Prospect,* Heilbroner was perhaps the most articulate public advocate of the view, held with some variations by many on the Left, that begins with an affirmation of basic humanist values—a decent material existence as the condition for pursuing the further goals of personal and intellectual freedom, equality, and a sense of community. The chasten-

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ing experiences of this century have, of course, tempered the optimism implicit in such a vision, prompting a number of pessimistic revisions, but all were held together by the assumption of long-term economic growth. Operating differently in various parts of the world, the safety valve of potential growth lent substance to at least some elements of the humanist vision. The consequences of the past, it is true, set a comparatively low ceiling on economic development under revolutionary socialism. Though modest by Western standards, the space for growth was sufficient to permit the emergence of functioning social orders along the lines of the Chinese experiment. Elsewhere, in the technologically advanced countries, the potentialities for growth seemed greater, subject for the first time to crude but conscious processes of decision-making.

Such a perspective left very little of earlier radical and progressive visions intact. The addition of Heilbroner's ecological dimension would leave even less. If there is only "a short period left during which we can safely continue on the present trajectory"—perhaps a generation or two—what can be done in the meantime that will not be subverted by convulsive changes beyond our control? Heilbroner asserts that since "avoidable evil" always remains, there is no excuse for doing nothing, or for pretending that the external challenge does not exist. This seems harmless enough at first glance. Western intellectuals, according to Heilbroner, have the duty to prepare themselves and others for the sacrifices that the future will exact, and to redefine the "legitimate" boundaries of freedom and responsibility.

Surely this dimension of intellectual inquiry, only touched upon in *The Human Prospect,* invites further attention. But it almost certainly contains unfortunate political implications. In the United States (and with variations, in other Western nations), democratic socialists—indeed a majority of those on the Left—have held to a politics of gradualism, a combination of socialist education, action within or at the fringes of the Democratic party, single-issue causes, civil rights activity, and the like. But if we accept Heilbroner's assessment of the ecological imperatives, what becomes of the politics of the long haul?

Let us take one central example. Most people on the Left continue to support economic demands for higher wages, improved working conditions, increased retirement benefits, etc. The actual economic gains thus far achieved have been brought about by an expanding total output, not primarily by any significant redistribution of wealth. I do not mean to slight the importance of political activity, only to indicate the socioeconomic medium in which it occurs. But if Heilbroner is correct in assuming that the American social order can at best evolve into a stationary capitalism over the medium range, can we continue to support measures for the economic advancement of nonowning classes

Public Notice

The following paragraph appears in a review by Theodore Draper of Noam Chomsky's book Peace in the Middle East? (New Republic, *Oct. 26, 1974):*

> Chomsky's penchant for playing fast and loose with quotations again betrays him. He dredges up a few words from an editorial that appeared in the summer of 1964 in the magazine DISSENT, edited by Irving Howe, one of Chomsky's blackest of *bêtes noires*. Chomsky implies that DISSENT had called for "a United States-Saigon victory" entailing a "murderous assault on the opposition," thereby sharing responsibility for the massive U.S. intervention the following year. The issue had nothing to do with the Middle East, but since Chomsky had dragged it in, and it seemed inherently implausible, I went to the trouble of checking it. I found that Chomsky had utterly distorted the plain sense of the editorial, which had explicitly ruled out a U.S. military victory and had contended that the "only way out" was the most drastic kind of land reform in South Vietnam. The editorial patiently explained that its aim was *not* "a 'total victory' which would destroy the Viet Cong in the South" but rather "a political arrangement for the coexistence of South and North Vietnam" and even "a U.S. promise to underwrite developmental aid for *both* countries." The attack on DISSENT is a case history of ideological blindness to the printed page. □

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over, say, two more generations? The base price of such activity, where successful, will surely be spiraling inflation and greater economic instability.

The problem is complicated by other political dimensions: the democratic Left has steadily supported the goals of political freedom through the extension of representative democracy, civil rights, and legal protection of individuals from the harassment of larger collective bodies. But economic gains, especially in an inflationary setting, widen the disparity between expectations and rewards, thereby increasing social discontent. In older scenarios, such conflicts could be resolved theoretically by assuming that gathering pressures might lead to democratic socialism; but if not, economic improvement of the lives of people in the short run required no elaborate justification. If Heilbroner is right, however, economic gains that fuel social discontent accelerate the drift toward more authoritarian political modes.

Taking a moderate view, one might maintain that, in the long-range perspective of survival, there is no sane alternative to continuing efforts to limit the power and wealth of corporations while also pressing for economic advances for large sectors of the working class. For one thing, failure to support the economic aspirations of blue- and white-collar workers would deprive the Left of any political constituency, apart from visionaries, crazies, sectarians, counter-culture types and good-natured though untested upper-middle-class professionals. For another, the economic programs of the democratic Left may contribute only marginally to the emergence of a less democratic political order, which in any case would be necessary for the transition to a stationary capitalism. But advocacy of a traditional politics of the democratic Left surely compromises the ethical appeal of anyone who also tries to prepare prosperous fellow citizens—not to mention those less well off—for the sacrifices entailed by the ecological imperative.

An examination of nearly every tenet of the vision and politics of democratic socialism in the light of Heilbroner's concerns would produce similar puzzles and confusions. I would not, however, want to shelve this battered vision or the politics of the long haul just yet, for I see no better immediate alternative than to press ahead, exploring the possibility of a bleak future while pursuing an inconsistent, perhaps futile politics of the democratic Left. Yet if Heilbroner's pessimistic scenario should come to seem inescapable, a thorough recasting of democratic socialist theory and politics would be in order. A reconsideration may be needed in any case: should such an optimistic speculation as that issued by the Hudson Institute—a global population of 15–20 billion people with an average per capita income of $20,000—prove to be vaguely accurate, it obviously would have to be achieved on the bases of existing socioeconomic systems.* Though these systems will doubtless change in unpredictable ways, some of their worst features seem less subject to alteration.

As an example, any sane formula for maintaining a tenuous international order—the elemental precondition to human survival and economic growth—must allow for the interplay between the current aspirations of people and the technical and political means of satisfying them. Does this not mean the continuance of large bureaucracies, permanently grotesque disparities of income and privilege, more congested environments, and hence less freedom, less democracy (as we have come to think of it)? It may be that democracy, freedom, justice, cooperation, social order—the good life—can be redefined to fit new circumstances and new attitudes. It may also be that Heilbroner's projection of scarcity is less prescient than the Hudson Institute planners' scenario of plenty. But in either case (and in the areas of speculation in between), democratic socialists may be forced into yet another revision to accommodate new realities. □

* See B. Bruce-Briggs, "Against the Neo-Malthusians," *Commentary*, July 1974, pp. 25–29.

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II

George Eckstein

Heading for Apocalypse?

A new millennium is looming into sight, and with it come, as they did a thousand years ago, moods of apocalypse. Forgetting that any single life span enforces narrowness of perspective, some prophets are now turning away from the benign visions of the '60s to the bleak ones of the '70s, from the prospect of a society where computer-directed machines free humanity from the burdens of work to a doom of humankind where excessive use of energy leads to an overheating of the atmosphere. Intellectuals seem especially prone to these gyrations, often without asking themselves how it is possible to hold, within the space of a decade or so, two utterly contradictory opinions.

The latest turn to the apocalyptic style is marked by extreme selectivity in analysis and a relentless extrapolation of observed trends. A few aspects of social life, either new or newly noticed, and possibly temporary, are picked out, blown up, followed to an ultimate statistical or logical conclusion, and thereby brought to a *cul-de-sac* of gloom, without much attention to complications. There are ingenuous reasons for exaggerated conclusions—what matters most is the emotional thrust to apocalypse.

Such dangers inhere in all forms of "futurology." People of one temperament will turn to utopia, people of another to apocalypse: both share faults of method, failures of tact. One remembers the exaggerated expectations of a few years ago concerning the "cybernetic revolution"—is it merely an accident that some of the people now predicting a collapse of civilization were drawn to that vision? One thinks of James Burnham's prediction of a fascist-Stalinist world condominium as the outcome of the managerial society. Or of John Dos Passos's collapse into the extremist simplism of Ayn Randism. Most futurologists are not as circumspect as Daniel Bell, who hedges his predictions of abundance with a stress on its likely costs and who points out the social nature of the decisions on the trade-offs involved (e.g., between energy supply and pollution, between working conditions and productivity).

The dangers in the current wave of apocalyptic writing can be illustrated by the provocative treatise of a man whose lucidity and concern I greatly respect and who avoids most of the oversimplifications of other prophets of disaster—Robert Heilbroner. In his book, *Inquiry into the Human Prospect,* Heilbroner singles out three areas for his prediction of doom: overpopulation, waste of natural resources, extravagant use of energy. Using a battery of scientific prognostications, he arrives at the dire prospect of starvation through overpopulation, of exhaustion of resources, of mankind's ultimate demise within three generations through atomic war or the overheating of the atmosphere.

I am in no way qualified—no one but an expert is—to evaluate the scientific evidence for these predictions. I admire the certitude with which some strands in a very complex skein of interacting physical and social phenomena are extrapolated into an indefinite future. Many scientists, it is true, are rather skeptical about such extrapolations; for if the computer has made this game more universal, it has not necessarily made it more reliable. Even the introduction of variables cannot take care of all the factors that may

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have a bearing on future developments, aside from the fact that they often reveal such a wide band of possibilities as to make the predictions meaningless. B. Bruce-Briggs, in the July 1974 *Commentary,* makes a number of plausible points in refutation: among them, the sharp drop in the birth rate in industrial nations and in others with rapid economic growth; the increase of known mineral and energy reserves in step with consumption; the possibility of substitutions for scarce materials.

Caution is called for even more when we include the elusive and complex *social* factors in our equations: the vast array of social actions, reactions, and interactions, often unknown or unknowable. Here the timetable for doomsday becomes of decisive importance. A hundred years, as Rudolf Klein points out, allow quite ample time for possible adjustments, especially when one considers that our "ravenous technology is itself largely the product of the past century."

The fallibility of previous apocalyptic predictions might make us cautious, be they based on such cabbalistic calculations as those of Sabbatai Zevi or such "scientific" calculations as those of Malthus. Among DISSENT readers, I assume, no argument is needed about Zevi. Unfortunately, the same is not yet true about Malthus. His "iron law" that population increase would outrun food supplies within decades, based on erroneous interpretations of some trends in his time, has been spectacularly disproved by history. Population increase has not proceeded by geometric progression, nor has the food supply conformed to the predicted snail's pace of arithmetic progression. New technologies—not only in cultivation, fertilizers, breeding, pest control, but also in such fields as transport and storage—have reduced the share of those employed in agriculture in the advanced countries since Malthus's day from 80 percent to between 3.5 and 15 percent today, freeing the majority of the people in the West for the production of other consumer goods that had previously been reserved for a privileged few.

If Malthus's poor record as a prophet has not prevented his periodic resurrection, one is surprised that his failure to allow for changes in social mores and for the introduction of new technology has not discredited him for an economist of Heilbroner's stature. Nor has it apparently induced Heilbroner to explore sufficiently the extent to which the present plight of the underdeveloped nations may be caused by temporary social factors. He might, for instance, have considered the large part played by the recent and rapid introduction of modern medical technology and public health organization into preindustrial societies. This, rather than an increase in fertility, seems to have caused larger numbers of people to survive into childbearing age. This "outside" factor, in which foreign technology and information revolution outran domestic adaptability, has aggravated the problem of hunger in the poor countries.

But would it not be wrong to extrapolate the current gap between population growth and productivity increase, without taking into account the likelihood that it will be narrowed at both ends—the birthrate flattening out for demographic reasons and being reduced by industrialization (the most effective known inducement to birth control), and labor productivity slowly rising with new agricultural techniques and industrialization? I don't at all wish to belittle the seriousness of the problems faced by the newly independent nations—problems that, incidentally, the end of colonialism has aggravated rather than lessened by reducing access to capital investment and adding the burden of disproportionate military expenditures. For most of these nations, not even a "Chinese" solution is immediately in sight; they now do not have nor are they likely to develop the strong unity of national purpose that would require. Yet the problems are being recognized, and while this does not neces-

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sarily imply willingness and ability to act, it is a first, small step toward amelioration.

With regard to natural resources and environmental destruction—major problems of the industrial world—it seems even more hazardous to extrapolate from the extremely rapid change of the last three decades. The trend toward exhaustion of resources may be reversed by technological and social developments, which may make economically feasible access to new deposits, new methods of extraction and reprocessing, and substitution of synthetic materials. The rate of economic expansion may well slow down or be diverted to channels other than the production of raw materials and energy-consuming goods. It is true that our present economic system of unlimited growth and our ingrained consumption habits (automobile culture!) tend to inhibit remedial action. But here, too, the problems have begun to be recognized, in this country perhaps more than anywhere else. In a relatively short time, as a result of public alarm, some substantial steps toward environmental protection have already been taken. They range from remedial measures reducing air and water pollution to such preventive ones as the banning of noxious chemicals in agricultural pest control. Even a conservative, business-oriented Administration could not stop the trend toward expanded legislation in this field, and it could only partially slow down enforcement. A large segment of business has come to accept these new concerns as part of the cost of doing business. (It has helped, of course, that industry could impose most of the costs of these measures onto the public. Indeed, U.S. industry may yet discover in pollution control a field of expansion for taking up the slack in space or military expenditure.)

As the negative effects of an unlimited production of goods become more widely recognized, the shift to "service" production, with its lower demand on material and energy resources, may well become more pronounced. Still, we ought to remember that large segments of the population have to do a lot of catching up with regard to material goods; and there is a real danger that an unqualified social apocalyptism, especially if coming from relatively affluent segments of the middle class, will be used to deprive the poor of things they deserve and need as much as anyone else. Which does not, of course, eliminate the possibility that certain amenities—safe environment, safe and pleasant working conditions, better health and education, cultural activity (all of which might be called "the new affluence")—may come to be considered as desirable as an accumulation of material goods.

Again, Heilbroner's projection into the future of Western expansionary trends in the last few decades fails to take into account these developing countertendencies. And even if, in calculating the effects on resources and environment, one adds with Heilbroner the potential consequences of (necessarily slow) industrialization in the Third World, one would have to balance these effects by the softening of the population pressure that this very industrialization would entail.

Karl Marx on Inflation

The ontological proof of the existence of God says: whatever I can really imagine, is a real intuition for me, has an impact on me. In this sense, all gods, heathen or Christian, have had real existence. Has not Moloch ruled? Was not Apollo's oracle a power in Greece? Kant's critique [of this idea] is of no avail: if a man imagines that he owns 100 dollars, if this intuition is real for him, then the imaginary 100 dollars may have the same value for him as 100 real ones. He may contract debts on the strength of his imagination, and that will have an effect, just as mankind has contracted debts on account of its gods.

—From his doctoral dissertation, *Works* (Moscow), 1:1:80.

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Heilbroner is convinced that the democratic capitalist system will be unable to resist the pressures of either an industrial complex founded on unlimited expansion or of a public conditioned toward wasteful consumption. Only an authoritarian system will, in his view, be able to call forth the mass consent and to exercise the authority necessary for new values, measures, and sacrifices. Nor could anything less than an authoritarian system handle the tensions he expects from the clash between the industrial world and have-not nations no longer willing to suffer their inferior status. It is to Heilbroner's credit that he does not hide his personal dismay about such an authoritarian system and the reduction in personal and intellectual freedom it would engender. Yet, in passages that remind one a little of Bertolt Brecht's acceptance a few decades ago of an "Asiatic" authoritarianism he knew would destroy his kind, Heilbroner tends to rationalize the advantages of some version of Maoist society:

> Only an authoritarian, or possibly only a revolutionary, regime will be capable of mounting the immense task of social reorganization needed to escape catastrophe. Might it not then be argued that the quasi-military devotion and sacrifice of such a task would be vitiated if the masses were exposed to the disagreements and diversions of intellectuals who strayed from, or opposed, the official line? Indeed, might not the people of such a threatened society look upon the "self-indulgence" of unfettered intellectual expression with much the same mixed feelings that we hold with respect to the ways of a vanished aristocracy?

A number of urgent questions present themselves. What makes Heilbroner so certain that an authoritarian regime could mount "the immense task of social reorganization"? How does he know it would be the "right kind" of authoritarian regime—one that would distribute scarce goods equitably and replace the profit motive by a socially beneficial collective discipline? Given the trends already at work in our society (and it is from *these* that extrapolations must necessarily be made); given, further, the fact that the new authoritarian regimes would be arising in conditions of scarcity exacerbated by breakdowns of the industrial systems—is it not then probable that we would see dictatorships arising in the advanced, or now decaying-advanced, countries that would attempt to uphold the *status quo* by grabbing for themselves a bigger share of crucially scarce goods? Why should these regimes be expected to distribute such goods equitably within a given population? And since they would be based on "quasi-military" mobilizations, would it not be far more likely that they would enter into disastrous military-political adventures in a new age of imperialism? That authoritarian dictatorships might arise in the kinds of social circumstances sketched by Heilbroner seems plausible; that they would be directed toward a serious, let alone fair, solution of the problems he sketches seems most unlikely.

And who, one wonders, is to exercise this authority? Politicians? Technocrats? The military? Intellectuals? One hardly knows which to distrust more. And if the dictatorship is not prescient and omniscient, that is, if it is like all past dictatorships, how are errors to be found out and corrected? For in the Heilbronerian crisis, the correction of errors would be still more crucial than today: a deluded military dictator, an ideologically obsessed politburo, a rigid technocrat, demanding "quasi-military devotion and sacrifice," could—could? probably would!—make even greater blunders than our parliamentary regimes. And we wouldn't even have a Robert Heilbroner to come along with an eloquent book of warning.

Barrington Moore has made the crucial point that its built-in mechanism for correction is the redeeming feature of even the worst democracy, its absence the greatest flaw of even the most benign authoritarian regime. And the more critical the circumstances, the more does this point hold.

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It may also be argued that in a deeply felt emergency, democratic regimes can become at least as capable as authoritarian ones of mobilizing national energies. America under the New Deal, Britain and to some extent the U.S. during World War II can serve as examples. (Let us keep in mind that these two periods were also the only ones in recent American history that saw a noticeable shift toward a more equal income distribution.)

Heilbroner offers an explanation for the attraction of a Maoist egalitarian system of scarcity whose severe regimentation seems to be supported by belief in a deified revolutionary leader. It is a psychological explanation: the feeling of security provided by the knowledge that "Father knows best." In his words:

> This latent function [of willing acquiescence in the exercise of political authority] is to provide a sense of psychological security by recreating the accustomed relationship of sub- and super-ordination to which our long period of helpless dependency [in the family] has accustomed us.

Heilbroner goes on to give a subtle psychological explanation for the enduring strength of tribal and national cohesion.

The point is hardly new. In the 1930s, Hendrik De Man, the Belgian socialist, was already writing with insight about the psychological sources of political obedience and national solidarity. But it is one thing to recognize and allow for the part that irrational factors of human nature play in the working of society; it is another, to succumb to them oneself. I would still hold with Erich Fromm (*Escape from Freedom*, 1941) that such a flight into an illusory security represents an abdication of responsibility and that it played an important part in the erection of a total and, in the end, totally destructive system. Among intellectuals, at the time, this phenomenon used to be called a "Failure of Nerve." It is distressing to see this repeated today, hardly a generation later.

What the authoritarian systems brought us by way of solutions to yesterday's problems we all know; we might also remember the at-least-partial reforms achieved since then by imperfect democratic systems. Whether or not the technological apocalypse proves illusory, intellectuals must not succumb to an authoritarian social apocalypse.

If I wrongly sense in Heilbroner's psychological argument a certain readiness to bow before the presumed dictates of the future, I gladly apologize. But, then, I fear he is not quite without blame in creating such impressions.

In the end, it turns out, he does hedge his bets. After having painted a prospect of overpopulation, exhaustion of resources, atomic war between haves and have-nots, extinction through heat death, he concedes the possibility of a "periodic adjustment to the dictates of nature and technology." An adjustment by recurrent crises, of course, and not by rational foresight:

> The outlook is for convulsive change—change forced upon us by external events rather than by conscious choice, by catastrophe rather than by calculation. . . . As we breach now this, now that edge of environmental tolerance, local disasters . . . may also slow down economic growth and give a necessary impetus to the piecemeal construction of an ecologically and socially viable social system.

But, when you think of it, are not precisely such more-or-less sharp convulsions the way in which major social problems are usually "solved"? Which brings us finally to the question of the future of democratic socialism and whether it has any future at all.

Historically, Marxism has suffered from the paradox that, while its aim of transforming society was premised on a fully developed industrial capitalism, this highly productive capitalism was, in turn, able to improve the living standards, working condi-

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tions, and political influence of the workers to such an extent that many of them lost interest, if they ever really had any, in a deep-going structural transformation. Thus, in a superficial way, socialism appears to be incompatible with abundance, and could indeed succeed only in agrarian societies where the task was the equitable distribution of scarce products and the development of resources with scarce capital.

Can we assume, then, that a new era of scarcity will bring new impulses toward this type of authoritarian "socialism"? Heilbroner makes a seemingly convincing case for this proposition. But the early '30s have shown us (for the industrial mass societies) and the '60s and '70s (for the Third World) that this authoritarianism may just as likely take on a fascist or militarist coloring. Once on the road to authoritarianism, the latter prospect seems by far the more probable.

Is there really no prospect for a democratic way, a democratic social order governed by concern for the welfare and freedom of its citizens? If Heilbroner's apocalyptic outlook is overdrawn, there is no reason to despair. But even accepting for a moment his dark prospect, much will depend on its extent and pace—and Heilbroner agrees that there are tremendous variables for both. Thus, there may well be time for effective adjustments—in the social sphere, in developing new resources and technologies, in a move toward what I have called the "New Affluence." Considering the degree of adaptability the industrial societies by and large have shown in recent decades, even under stress, and the amount of public control their economies have accepted, however reluctantly, there seems room for at least a moderate optimism regarding a continued, if not uninterrupted, movement in the Western world toward some version of social democracy. □

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Herman P. Miller

Inequality, Poverty, and Taxes

Income distribution in the United States has remained virtually unchanged for one-quarter of a century. According to government figures, the poorest 20 percent of all families received 5 percent of the cash income in 1947 and they receive the same share today. By contrast, the richest 5 percent received 17 percent of the cash income in 1947 and 16 percent today. If the various types of noncash income that are omitted from the official figures are added to the distribution, the share going to the rich is vastly increased.

Except for the select few in the top 1 percent of the income distribution, there is little if any progressivity in the tax structure. According to a recent report by the Brookings Institution, the same proportion of income is paid in taxes by families at the 20th percentile and at the 99th percentile. Because of high taxes and the high cost of living, very little saving is accumulated by the lower and middle income groups. About one-third of all the wealth in the United States is owned by the top 1 percent of the families who have a net worth of $200,000 or more.

Our tax policies are in part responsible for the chronic shortage of the funds that are to deal with many social and economic problems. If we were to tax the rich more, it might be possible to do some of those things we now say we cannot afford to do. Our Federal Income Tax laws show that as a society we have a preference for progressive taxation (i.e., for taxing the rich at higher rates than the poor); yet, in practice we do not adhere to this policy. Why? The answer to this question is by no means clear, but it is worth exploring.

The last major attempt to alter the distribution of income in the United States occurred during the 1960s. At that time, the nation rediscovered the fact that, despite the general affluence, large numbers of Americans lived in abject poverty. Programs were instituted to raise the levels of living for the poor and to change those practices which systematically discriminated against ethnic minorities and other disadvantaged groups. Major changes were made in the civil rights laws; training programs were instituted for school dropouts and unskilled workers; and vast expenditures were made to improve the quality of education in low-income areas. Although these changes did not alter the distribution of income very much, they demonstrated widespread awareness and deep concern with the problem at the very highest levels of government.

Today, however, few Americans seem to have much interest in redistributing income. Attention is focused on fuel shortages, inflation, and corruption in government. But even before the onset of these problems, American voters showed strong antagonism to policies designed to alter income distribution. Just a few months prior to the 1972 presidential election, a Harris poll showed that three-fourths of the voters objected to Senator McGovern's proposal "to give each individual in the population $1,000 by sharply increasing taxes on people with incomes of $12,000 and over." There was more objection to McGovern's stand on income redis-

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tribution than to any other part of his program, nor is there evidence that attitudes on this subject have changed much since.

The income gap between the rich and the poor in the United States has been narrowed within the lifetime of many who are reading this article. During the depression of the '30s the share of income going to the top 5 percent of the families and individuals dropped sharply; it dropped again during World War II in response to economic forces, which created a great demand for unskilled labor as well as government policies designed to narrow wage differentials between low-paid and high-paid workers. All told, the share of income received by the top 5 percent dropped from nearly one-third of the total income in 1929 to about one-fifth at the end of World War II. Since that time there has been little change in income distribution; however, the average income per family (adjusted to changes in purchasing power) has continued to rise at the rate of 2 percent per year compounded. In other words, the equalization of incomes during the '30s and the early '40s did not diminish the productivity of the economy.

There is no question that equalization of income can be pushed too far. It can destroy incentives to work or invest and thereby become detrimental to the health of the economy. There is little point in changing the percentage of the economic pie received by the poor if it means they will receive a smaller piece. Some socialist countries have found that they have had to widen wage differentials in order to stimulate productivity. But clearly that is not the case in the United States at this time.

All we know from experience is that we had a major redistribution of income 25 years ago and there were no measurable harmful effects. It is entirely possible that we can travel further along the same path without ill effects. We won't know if we don't try; and even if we should try and fail, the action is not irreversible. As a social gamble, such a program is certainly worth serious thought even on the part of the higher income groups who would have to pay the cost. The great majority of the American people have lost faith in their government. They believe that the government serves the interests of the few who are wealthy and powerful rather than the great majority. One way to help change that image would be a major revision of the tax laws, which have long provided a shelter for the rich and have deprived society of the funds needed for income maintenance of the poor, better housing, improved education, and numerous other social and economic programs.

Income Inequality and Taxation

INCOMES IN THE UNITED STATES are much more unequally distributed than the official figures show. The Census Bureau reports only cash income. No attempt is made to allocate money income that people receive but fail to report. Also excluded are capital gains, undistributed profits, and imputed income. I have attempted to correct this shortcoming by preparing a revised distribution of families by income levels for 1968, which includes the missing income. The procedures are described in several technical articles that I published jointly with Roger Herriot who is currently in charge of the preparation and analysis of income distribution statistics at the Bureau of the Census.*

The official figures for 1968 are based on a total of $543 billion in cash reported in the census survey. But these figures exclude about $260 billion of unreported cash income, capital gains, undistributed profits, and imputed income, all of which accrue disproportionately to the top-income groups. These items are omitted from the official figures primarily because the procedures that have been developed for distributing them by income levels are regarded as too crude to

* Roger A. Herriot and Herman P. Miller, "The Taxes We Pay," *Conference Board Record,* May 1971; also "Tax Changes Among Income Groups," *Business Horizons* (Indiana University), February 1972.

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meet government standards. The income is there, nonetheless. Excluding it from the official figures does not change the economic reality.

According to Census statistics, the very small fraction of the consumer units (families of two or more related persons and persons living alone or with nonrelatives) with money incomes over $50,000 in 1968 received 2 percent of the total money income (see Table 1). When the billions of dollars of missing incomes are added, the share going to the top-income group increases to 7 percent. According to the census figures, the 2 percent of the units with incomes over $25,000 received 9 percent of the income; according to my best estimate they received 18 percent of the total. Changes of this magnitude are not mere technical adjustments. They basically alter the view of income inequality that exists in our society.

For some time now, we have been urged by our leaders to tighten our belts and not to embark on new programs of social reform because we cannot afford them. As a result, we have postponed massive efforts to deal with unemployment and underemployment, decaying central cities, poor schools, inadequate medical care, and pollution.

If the rich have considerably more income than we thought they have, it may be possible, through tax reform, to get them to provide the funds we need for new social programs. These funds cannot come from the middle-income groups. After paying their taxes and the inflated costs for food, shelter, clothing, and other necessities, they have very little left. According to figures published by the Survey Research Center of the University of Michigan, about three-fourths of the families with incomes under $3,000 have liquid assets totaling less than $1,000. (Liquid assets include checking and savings accounts and U.S. savings bonds. They represent, as the name implies, resources that are quickly convertible into cash in the event of an emergency.) The picture was not much better for families somewhat higher on the income scale. At the $3,000–$7,500 income level, two-thirds of the families had less than $1,000 to fall back on in case of emergency.

These figures, perhaps better than any others, portray the sense of terror that must strike the breadwinner in the average poor to middle-class family when faced with the loss of a job. Their resources for sustaining emergencies of even short-range duration are meager indeed. Little wonder that the middle-income groups have reacted so strongly in favor of tax reductions and against new government programs that would have to be paid for by higher taxes. They know that as matters stand the brunt of the burden would fall on their shoulders. They now barely manage to get by from one payday to the next without being able to set much aside for a rainy day. This is certainly not true for the higher-income groups. Much as they complain about taxes, they still do most of the saving in this country.

A recent report prepared by Ben Okner and Joseph Pechman of the Brookings In-

Table 1

PERCENT DISTRIBUTION OF CONSUMER UNITS AND OF TOTAL INCOME: 1968

	Money Income		*Total Income, Before Taxes and Transfer Payments*	
Money Income Level	*Consumer Units*	*Income*	*Consumer Units*	*Income*
Total	100	100	100	100
Under $4,000	27	7	23	4
$4,000 to $25,000	71	84	74	78
$25,000 to $50,000	2	7	3	11
$50,000 and over	*	2	*	7

* Less than one-half of 1 percent.

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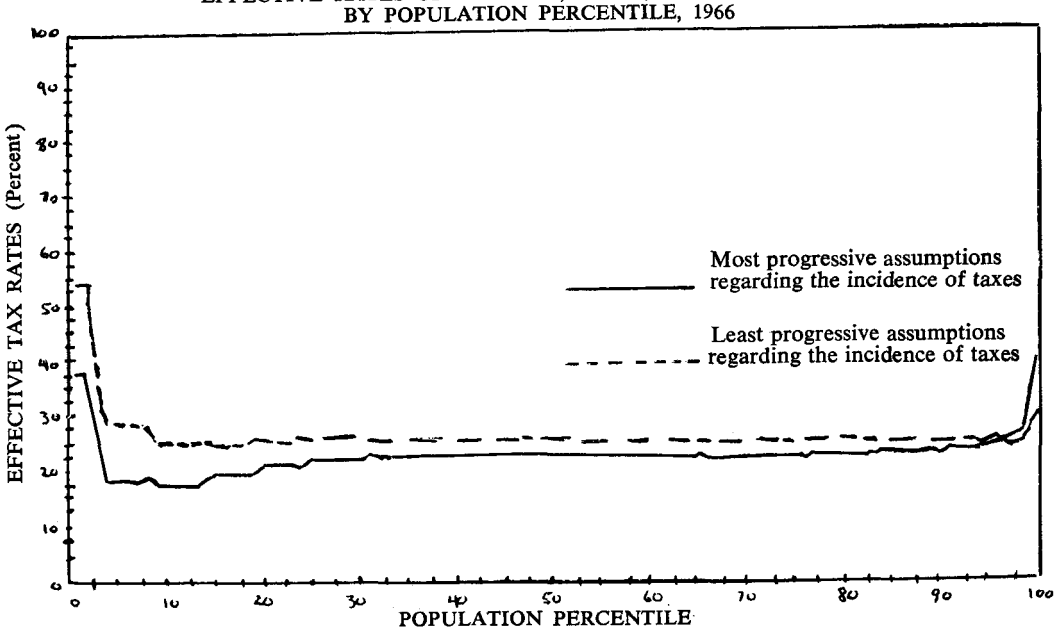
stitution shows the proportion of income paid in taxes by each percentile of the population ranged from lowest to highest according to income. This report presents tax rates based on eight different variants regarding the incidence assumptions of the various kinds of taxes. Shown in the chart—Figure 1—are the effective rates of federal, state, and local taxes based on the most progressive and least progressive variants; rates based on the other six variants fall somewhere between these two. It is quite apparent that there is little progressivity in the American tax structure. Using the *most progressive* variant, we find that consumer units at the 20th percentile (i.e., the poorest fifth of the units) pay 21 percent of their income in taxes while consumer units at the 80th percentile (i.e., the wealthiest fifth) pay 23 percent of their income in taxes. The tax rates go up to 24 percent for the wealthiest 10 percent of the units and to 25 percent for the wealthiest 5 percent. It is only when we go to the very top of the income pyramid, the wealthiest 1 percent, that tax rates become appreciably progressive and reach 38 percent.

We must remember that these results are based on the *most progressive* assumptions. Using the least progressive assumptions, also shown in the chart, we arrive at the remarkable conclusion that consumer units at each income level between the poorest 10 percent and the wealthiest 1 percent pay the same share of their income (25 percent) in taxes. Using these assumptions, the share paid by the wealthiest 1 percent rises just slightly to 29 percent.

Nor are these facts new. They have been known for years. They appear in one form or another in elementary economics textbooks. They are taught to anyone who has taken a good introductory course in economics. Why then do Americans overwhelmingly prefer tax cuts and reductions in government spending to tax reforms that would require the rich to pay more? The answer to this

Figure 1

EFFECTIVE RATES OF FEDERAL, STATE, AND LOCAL TAXES, BY POPULATION PERCENTILE, 1966



Source: Joseph A. Pechman and Benjamin A. Okner, *Who Bears the Tax Burden* (Washington, D.C.: Brookings Institution, 1974), p. 5.

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question is complicated. For one thing, it takes more than information to change attitudes; it takes a change in feelings. The greatest obstacle to income redistribution and major tax reform is not a lack of evidence that such changes are needed or a lack of knowledge of how to achieve these goals. Rather it is the belief most of us have that such changes are unwise, unfair, and unwarranted, and that some great evil will befall us if they are made. There is little evidence to support these beliefs; they are just ingrained in us by constant repetition in our homes and our schools, on television and in the press. These feelings and attitudes become so much a part of us that we come to assume they are based on facts; but there is no rational basis for such an assumption. Let us look a little closer at the basis for some of our attitudes regarding income redistribution and tax reform.

For years we have been told by conservative economists that we have little to gain by taxing the wealthy more heavily. Such taxation, we are told, would not bring in much revenue, would lead to a reduction in work effort, and would hurt us all in the end. But these economists only know what they believe in their own hearts to be true, and too often, what they know in their hearts is influenced, one way or another, by those who are putting money in their pockets. There is virtually no scientific evidence to support the view that the incentives of the rich to accumulate more would be destroyed if they were taxed more heavily. The few studies that have been made are small and inconclusive. Professor George Break of the University of California summarized the available empirical evidence for a congressional committee. His conclusion was that "income taxes exert relatively little influence on work incentives and when they do they induce greater effort as frequently as they deter it." He cites one study showing that "higher taxes induced more wives of business executives to enter the labor force and in general led executives themselves to postpone their dates of retirement." It is by no means clear that those among the rich who work would stop working if we taxed them more.

Spokesmen for the rich have long tried to persuade the rest of us that they are being pauperized by heavy taxation. We have been led to believe that the great fortunes such as those created by the Mellons, Carnegies, and the Rockefellers are a thing of the past. Nothing could be further from the truth. The rich among us are still flourishing. During the '50s the number of millionaires doubled, increasing from 27,000 to 53,000. According to the best estimates, the number had grown to 200,000 by the end of the '60s. This represents a fourfold increase from the beginning of the decade.

There is little evidence that taxation has dried up the sources of wealth. Table 2 shows the distribution of consumer units by the total amount of assets owned. These assets include equity in a home or business, checking and savings accounts, savings bonds and other liquid assets, and bonds and stocks. Debts are subtracted from the market value of each of the above assets, and the result is the estimate of net worth for each consumer unit. These figures show that less than one-half of 1 percent of families and individuals with assets of $500,000 or more own 22 percent of all the wealth in the United States; and 1 percent of the units have wealth of $200,000 or more and own over one-third of the wealth. At the bottom end of the distribution we find that 45 percent of the units

Table 2

CUMULATIVE DISTRIBUTION OF CONSUMER UNITS BY AMOUNT OF WEALTH: 1962

	Percent Distribution	
Amount of Wealth	*Consumer Units*	*Wealth*
Less than $1,000	26	*
Less than $5,000	45	2
Less than $10,000	61	7
More than $200,000	1	35
More than $500,000	*	22

* Less than one-half of 1 percent.

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have net worth totaling less than $5,000; they own only 2 percent of the wealth. It is also important to recognize that most of the assets of this bottom group are in the form of equity in a home or a car, which are not income-producing but are essential for everyday living. An old home or an old car may show up as an asset on the balance sheet, but they can be a real drag on the family budget. These families have very little, if anything, to fall back on in case of an emergency.

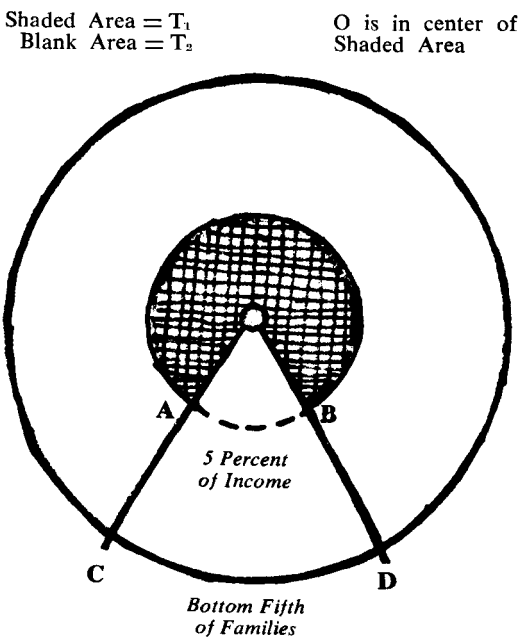
The figures in Table 2 pertain to 1962, when the Federal Reserve Board conducted the most recent comprehensive household survey of the distribution of wealth ownership among families in the United States. More recent data based on the analysis of estate tax returns collected by the Internal Revenue Service suggest that there has been no appreciable change in the distribution of wealth ownership since that time. A paper on this subject, presented at the annual meeting of the American Economic Association in December 1973 by Professor James Smith and Stephen Franklin of the Urban Institute and Pennsylvania State University, concludes that "the distribution of wealth has remained essentially unchanged since 1945."

Poverty and Inequality

ACCORDING TO President Nixon's Council of Economic Advisers, "there has been a rapid decline in the number and proportion of families with a cash income below the poverty line." The Council failed to point out that all of this decline took place before Nixon took office. The number of people classified as poor in government statistics dropped from nearly 40 million in 1961 to about 24 million in 1969, or at the rate of about 1.7 million persons per year. Since 1969, the number of poor people has *increased* slightly. The proportion of the population living in poverty dropped regularly from 22 percent in 1961 to 12 percent in 1969; it has not changed since that time. This kind of distortion is typical of the way in which that Administration interpreted statistics. But that is not the point, at the moment. Let us turn our attention to the basic argument, which is true according to the statistics, that the long-term trend in the incidence of poverty in the United States has been downward. What does that mean and how can it be reconciled with the stability of income shares cited above?

IT IS UNDENIABLE that if the economic pie gets bigger each year and the share received by each fifth of the population remains unchanged, all will get more and in that sense they will be better off. The diagram below shows this point quite clearly. Assume that the shaded area represents the national income in a given time period (T_1) and that 5 percent of this income goes to the bottom fifth of the families. Their share of the income is described by the segment OAB. Assume that in a subsequent time period (T_2) the size of the national income grows to the outer circle, but the share received by the bottom fifth remains 5 percent. The amount of their new income is defined by the segment OCD, which is clearly larger than OAB.

Figure 2



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Using this model, we would say that the incidence of poverty did not change between T_1 and T_2 (20 percent of the population was poor in both periods), but the *amount* of income received by the bottom income group increased considerably. In other words, the absolute economic well-being of the bottom income groups would have improved even though their income in relation to others would not be changed.

But the fallacy in this model is that the incidence of poverty remains the same whatever the level of income. Every distribution has a bottom 20 percent; if that group is called poor, the incidence of poverty must remain unchanged. Such a definition is a tautology and it is obviously not used in the official statistics. How then is poverty defined in the U.S. and what are the limitations of that definition? According to the Council of Economic Advisers, the principal factor behind the decline in poverty in the U.S. is economic growth. As we shall soon see, there are other reasons.

Few Americans realize that poverty is defined statistically in such a way as to artificially deflate the number of poor and make the problem appear less serious than it really is. The official statistical definition of poverty (or low income as the government now prefers to call it) was adopted a decade ago, when the Kennedy-Johnson War on Poverty was begun. It is based on a food plan (the Economy Budget) designed by the Department of Agriculture for emergency or temporary use when funds are low. This food plan was priced for a nonfarm family of four in 1963 and it was found to cost $1,042. Assuming that families spend one-third of their income on food, the cost of the total budget was set at $3,128 for a nonfarm family of four. This became the poverty line; families of four with incomes below this amount were statistically classified as poor. Equivalent poverty lines were established for smaller and for larger families. The poverty line was then adjusted back to 1959 on the basis of changes in the cost of living index, and it has been adjusted upward each year since 1963 on the basis of the same index.

It is important to realize that although the numerical value of the poverty line increases each year, it is a fixed standard in terms of the quantity of goods and services that it provides. Under the present definition, no provision is made for the changing of the content of the poverty budget. It is assumed that poor people will maintain the same level of living even though the level of living of everyone else has been rising. A fixed standard may be suitable for measuring changes in poverty for a short period. After 13 years, however, it begins to lose its relevance. In 1959, the poverty line for a family of four was 55 percent of the average family income; by 1972, this rate had dropped to 38 percent. As a result, while many people have been moved above the poverty line, their position relative to others has remained unaltered. They continue to be unable to enjoy the goods and services widely enjoyed by others. Their status in the government figures is changed from poor to nonpoor, but their feelings of deprivation remain unchanged.

The misleading nature of government proclamations heralding the decline of poverty in the United States can be demonstrated with just a few figures. The average income of poor families was $2,178 in 1959 and $2,456 in 1972 (both figures measured in constant dollars of 1972 purchasing power). The average income of families that were not poor was $10,021 in 1959 and $13,672 in 1972 (again, using dollars of constant purchasing power). In other words, the dollar gap between poor and nonpoor families rose

Table 3A

	Average Income	
	1959	*1972*
Poor families	$2,178	$2,456
Nonpoor families	10,021	13,672
Dollar gap	7,843	11,216
Ratio of nonpoor to poor	4.6	5.6

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from $7,843 in 1959 to $11,216 in 1972. Or, stated differently, the average income of nonpoor families was four and one-half times that of poor families in 1959; by 1972, this ratio had risen to five and one-half times.

When this same comparison is made between the poor and the rich (defined as the top 5 percent of the families ranked from lowest to highest by income), the results are even more striking. The average income of rich families was $27,267 in 1959 and $40,142 in 1972 (in constant dollars). The dollar gap between the rich and the poor, therefore, increased from $25,089 in 1959 to $37,686 in 1972 and the average income of the rich rose from 12.5 times that received by the poor in 1959 to more than 16 times in 1972.

It is of no avail to preach to the American poor that they live better than most people in most parts of the world or to tell them not to compare their lot with those who are more fortunate. Such admonitions are open invitations to resentment and anger. The fact is that people's feelings about their economic well-being are based, not only on their own incomes, but also on the incomes of those around them and on the income that is considered necessary to get along in this society.

The American experience is not unique in this respect. A recent study by Professor Richard Easterlin of the University of Pennsylvania, based on 30 surveys conducted in 19 different countries where information was collected on the relationship between happiness and income, shows that in all societies, at any given point in time, happiness tends to increase with income (i.e., those who have more income tend to be happier). However, as the income of a society increases, the proportion of people who say they are happy remains unchanged. On the basis of this and other evidence presented in the report, Professor Easterlin concludes that each person believes he will be happier if his income goes up. And he is happier provided that the income of others does not go up as much as his own. When every income goes up at the same rate, no one is happier; and when the incomes of some people go up, but at a slower rate than the income of others, that becomes a source of discontent. If these studies are valid, our statistical indicators regarding poverty are misleading. We live in a society in which real incomes are going up at the rate of 2 percent per year. If the standard for measuring poverty remains fixed for too long, we may decrease the number of people whom we *call* poor, but we will not change their feeling that they are still poor in relation to others around them.

Table 3B

	Average Income	
	1959	*1972*
Poor families	$2,178	$2,456
Rich families (defined as the top 5 percent)	27,267	40,142
Dollar gap	25,089	37,686
Ratio of rich to poor	12.5	16.3

The Impact of Government Redistribution

THE INCOME DATA described above tell only part of the story. They show how the net national product was distributed before taxes. In 1968, the federal, state, and local governments took one-third of our income in taxes and they gave it back to us in the form of transfer payments, goods, and services. In the reports referred to above, Mr. Herriot and I attempted to distribute the burden of taxation as well as the benefit of government expenditure by income classes. The results are shown in Table 4. The basic procedure required us to make assumptions as to who paid each tax and who benefited from each government service. For many types of services such as education, health, highways, and social welfare it seemed possible to make reasonable assumptions regarding the beneficiaries. The benefits of expenditures on elementary and secondary school education were allocated to families with children in school; benefits from public assistance and social security were allocated to the recipients of these types of income, etc. The big

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problem was how to allocate the very large fraction of the total that was spent on national defense and related activities. Four different assumptions were used: that the benefits were shared (a) proportionate to income; (b) proportionate to wealth; and (c) equally; (d) one-third according to wealth, one-third to income, and one-third equally.

Presumably the most egalitarian assumption is that we all benefit equally from defense expenditures. This is a valid view if one assumes that we each have one life to save and the same amount of freedom to lose if we should be conquered by an enemy. On this basis the benefits from defense and related activities should be divided equally among all families. Using this assumption we find (from column C in Table 4) that the share of income received by the poorest quarter of the families nearly triples, going from 4 percent to 11 percent; and the share received by the top 3 percent (those making over $25,000) is reduced from 18 percent to 12 percent. This is a sizable reduction of inequality, but it involves a very special and, in my opinion, an unrealistic assumption regarding the distribution of benefits from defense and related expenditures. We spend money for defense to protect our wealth and our income as well as our lives. It is an established principle of law that all lives do not have an equal monetary value. The general rule in wrongful death cases is that the estate can sue for the present value of the expected lifetime earnings of the deceased. According to the Census Bureau reports, for example, the monetary value for an elementary school graduate is about $300,000 and that of a college graduate is over $600,000. These are the amounts that might be asked as payment for damages in wrongful death actions involving persons who had grammar school or college backgrounds. In light of this fact, it seems unreasonable to allocate the benefits of defense expenditures as though we all had an equal share. It would be more reasonable, following the persuasive logic of the law, to make some allowance for the value of our wealth and for our monetary value as human beings.

Table 4 (column B) also shows a distribution based on the assumption that defense expenditures are allocated proportionate to our wealth. This assumption treats defense expenditures as an insurance payment to protect our property. Viewed in this way, the activities of the government cause the share of income going to the bottom quarter of the consumer units to increase at the expense of the middle three-fourths; but the share received by the very small fraction with incomes over $25,000 remains unchanged at about 18 percent. The conclusion based on this interpretation is that the net impact of government intervention on the distribution of income is to transfer income

Table 4

PERCENTAGE DISTRIBUTION OF INCOME BEFORE AND AFTER GOVERNMENT INTERVENTION: 1968

Money Income Level	*Total income* before *taxes, transfers, and government expenditures*	*Total income after taxes, transfers, and government expenditures* *			
		A	B	C	D
Total	100	100	100	100	100
Under $4,000	4	7	8	11	9
$4,000 to $25,000	78	78	75	77	77
$25,000 to $50,000	11	10	10	8	9
$50,000 and over	7	5	7	4	5

* Assumes nonallocatable government expenditures (mostly for national defense) distributed as follows:
A: total income (each family receives a share proportionate to its income);
B: total wealth (each family receives a share proportionate to its wealth);
C: each family receives an equal share;
D: one-third according to income; one-third according to wealth; and one-third equally.

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from the middle class to the poor. The rich neither gain nor lose in the process, because most of what is taken away from them in taxes is returned in the form of an insurance benefit designed to protect their property.

Column D shows still another, and perhaps more reasonable, way to allocate expenditures for defense and related activities. Since these expenditures are made to protect our freedom, our lives, and our property, why not divide them into three different components and use a different procedure for each? As a starter, we might assume that one-third of the expenditures are made to protect our freedom and that we all get an equal benefit from that component. Assume also that an additional third is spent to protect our lives. These benefits can be allocated proportionate to the present value of the expected lifetime income of each family. We can assume that the final third is spent to protect our property. This share can be distributed proportionate to our wealth. On this basis we find that the share of income going to families with income under $4,000 is more than doubled, going from 4 percent to 9 percent as a result of the intervention of the government; the share going to those with incomes between $4,000 and $25,000 is virtually unchanged; and the share going to those with incomes of $25,000 or more is reduced from 18 percent to 14 percent. The share going to the very wealthy is cut back from 7 percent to 5 percent based on these assumptions.

Conclusion

AT ONE TIME, income distribution was regarded as fixed. Social scientists assumed that an inexorable law determined the distribution of income in a given time and place, and that changes in that distribution could be made only at great peril to the social order. They even gave this law a name, "Pareto's Law," in honor of the Italian economist who was among the first to do empirical work in this field during the latter part of the 19th century. Some economists went so far as to assert that a sharp rise in income inequality would cause a revolution and a sharp drop would cause a civil war. It has been argued that the French and Russian revolutions were caused by undue concentrations of income and wealth whereas the Spanish revolution of the late 1930s was caused by "socialistic trends" that followed the overthrow of the monarchy and "lowered greatly the ratio of concentration from its Pareto norm."

Few economists today believe that there are inexorable laws of income distribution. The fact is that incomes in the United States are more equally distributed today than they were 40 years ago. Most of the redistribution, however, took place during the depression of the '30s and during World War II. There has been little change during the past 25 years. Despite the rhetoric of the Great Society architects, their programs did not change income distribution very much, if at all. But there is no sound economic reason why we should not resume the progress that ended one-quarter of a century ago. We can have a further reduction of inequality and a different distribution of the tax burden without necessarily hurting the economy. Economists who say otherwise are going beyond the limits of the knowledge of their profession. We may not choose to have redistribution as a social goal; but there is no good *economic* reason that requires us to make such a choice. In short, we could decide to raise the incomes of poor people and tax the rich more to help pay for it, if we want to, and not have the feeling that we are violating some natural law or endangering social order.

For the moment, the nation appears to have lost its interest in income redistribution. The rallying cry today is, "Balance the Budget." The economizers are firmly in the saddle. We shall soon see where their policies lead us. It is comforting to know that we have the wealth to create a better world if we become disenchanted with their false economics. All we need is the desire to do so. □

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Alan Fox

Is Equality A Necessity?

The following article first appeared in the English journal Socialist Commentary. *Since it seemed of interest to non-British readers as well, we asked the author to reduce the number of local English references and adapt it for our readers. This was done before the recent Labour victory.*—ED.

For most egalitarians, equality is a moral concept. What moves them is a conviction that gross disparities of wealth, income, status, power, and respect between men do violence to their common humanity and create relationships between them that are profoundly inferior in quality to the best of which they are capable. Others may remain unmoved by such propositions and, especially if comfortably placed themselves, may derive much positive satisfaction from, and offer vehement approval of, those inequalities which seem to their fellows so offensive. Between these two groups there is little likelihood of a rational moral discourse through which egalitarians might hope to persuade the rest to adopt more generous-spirited conceptions of how men could and ought to live together. Attitudes and values on such matters are normally shaped by far more complex and subtle patterns of influence than direct exchanges of argument alone, though these have their place in the process, even if only for their impact upon those whose opinions are not yet irrevocably formed.

But while the egalitarian may make little headway through moral disputation, evidence is accumulating which enables him to argue the equality case on grounds of *practical expediency,* and since inegalitarians usually pride themselves on their hard-headed realism, there may be gains made from this approach. Thus the egalitarian can argue, along lines to be sketched out in this article, that there is need for advanced industrial societies of the Western democratic type to move toward far greater equality if they hope to preserve their stability on the basis of democratic institutions, constitutional procedures, "due process," and what are usually referred to as the liberal freedoms. This case rests on the argument that, if such societies continue trying to combine the enthronement of competitive, acquisitive, self-seeking, and socially divisive values with the present massive inequalities of distribution, the growing tendency toward group self-determination and self-assertion through power could introduce gathering social and economic instabilities from which privileged and unprivileged alike may eventually seek protection through authoritarian regimes and policies.

None of this is to imply any such fantasy as that the rich and powerful will be moved to accept greater equality by these arguments any more than by moral reasoning. Although the exceptionally well-favored can sometimes become sufficiently frightened to acquiesce in marginal shifts of distribution (which may of course represent useful gains for the recipients), history shows them to be powerfully resistant to changes sufficiently great to be describable as such major reordering of the social structure as is being envisaged here. Moreover, provided their own interests are assured, their commitments to the democratic and liberal freedoms is often, to put

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it mildly, something less than total. The expediency case for greater equality can most usefully be directed therefore at those who (a) value the liberal freedoms and democratic institutions of their society; (b) would lose little (perhaps nothing) personally by a more egalitarian structure; but (c) currently regard major inequalities as "functional necessities" for "incentives" and "progress."

The problems to be discussed affect Western societies to very different degrees and, in certain respects, Britain, the pioneer of industrialization (where this article was written), displays the more ominous symptoms in a particularly marked form. This explains the frequency of reference to that country. Specialists of other societies must decide how far these lessons have a wider reference. The article is written in the belief that the message is in fact worth pondering throughout the Western world.

If, then, we open with the British scene, it becomes important in the development of the argument to note certain facts about the nature of much party-political controversy and industrial bargaining in that country. These will possibly surprise some readers who deduce from the fact that Britain is a class-ridden society that it engages in class-ridden political debate and industrial bargaining. On the contrary, in Britain it has always been considered "inappropriate" at the higher, middle, and often even the lower levels of political activity and collective bargaining, to analyze and discuss social, political, and industrial issues in terms of class, exploitation, and power. And rightly so, by some definitions of those terms. If class necessarily implied an oversimplified picture of clear-cut confrontations involving large masses of politically conscious wage-earners facing malevolent employers, then clearly a different word would have to be chosen. If exploitation could only imply the oppression of a suffering proletariat, then modifications would be required here too, though not quite as many and drastic ones as is often supposed. But what we do have, as do so many other countries of similar type, is a deeply stratified society marked by profound inequalities of power, wealth, income, status, education, and other life chances. Although general welfare has been raised by industrialization and its great increase in productivity, such redistribution policies as have had effect during this century have made only limited inroads on a system of organized inequality enforced by superior power. The majority of the working population subjected to this power structure (in which private ownership or control of economic resources, including the resources of communication and social conditioning, play a predominant role) work in jobs they have no hand in designing and about whose purposes they are not consulted. Subordinated for the most part to work defined by the predominant status-ranking as inferior, they are allocated inferior rewards and treated with inferior respect. Collectively organized, they can make themselves strong enough to challenge management effectively on certain issues, such as wages, which are of special and immediate importance to them. In some cases their strength is sufficient to give them a negative veto power over certain management preferences and even certain government preferences. By such means they try to protect themselves within what is largely a competitive, acquisitive, pressure-group society. This society is also, in many respects, a *low-trust* society. We can gain clues to this low-trust quality by focusing for a moment on the type of work situation which tends, along with other social mechanisms, to generate it.

Work Organization and the Social Structure

IF WE EXAMINE the typical large-scale work organization where many of the negative, destructive impulses of our society originate, its low-trust features become apparent. The bulk of rank-and-file members (wage-earners and lower salary-earners alike) are subjected to principles of extreme division of labor, which leave them subordinated to hierarchical control and discipline, excluded from the

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important processes of decision-making, and confined to work with which few are able to feel any real moral involvement. Reinforcing these crucial distinctions are gross inequalities of income and respect, which confirm the overwhelming sense of inferior status. Most people in such situations experience, in greater or lesser degree, a sense of being used as inferiorly treated means in the service of ends determined by superiorly treated management—ends about which they have not been consulted. This is not a bad definition of exploitation, by anybody's standards. It is of little consequence whether the ends relate to private profit, economic efficiency, or some remote and meaningless abstraction called "the public interest" (often impertinently defined to exclude them). Thus most of the rank-and-file people are conscious only that top management, in seeking to control, prescribe, and program their behavior, in limiting their discretion and autonomy, and in excluding them from the important decision-making, demonstrates through its behavior (whatever it may say) that it does not trust them to pursue the purposes it favors and act by the values it prefers. We refer here to trust and distrust, not as these emerge in personal, face-to-face relations, but as they are embodied in the very nature of rules, control systems, job definitions, and formal or informal practices of a wide variety of kinds. An appropriate term might be "institutionalized trust." In other words, many rank-and-file employees experience their work situation as an elaborate system of institutionalized distrust. The symbol of their relationship with top management is the employment contract it offers them, laying down its precise and specific terms. Such is their position in the division of labor that this expresses the nature of their largely depersonalized and dehumanized relationship with the employing body.

Employees reciprocate these low-trust attitudes of top management with low-trust responses of their own. In this they express a general tendency among men everywhere to return trust for trust, distrust for distrust. If top management reveals, in the ways it structures and administers the work situation, that it distrusts the rank and file, the rank and file have the best of all reasons for distrusting top management. Whatever management *says* about teamwork, its design and handling of the work situation indicates that it pursues purposes it really does not expect rank-and-file employees to share. Its very organization of work is likely to convince the rank and file that in some respects, at least, management's interests and their own are not identical. They thereupon take up attitudes of wary suspicion in the protection of their own needs, and they reveal other symptoms of distrust in their work behavior. These can be expressed in a variety of forms. Individually, men become indifferent in their work performance, behaving largely without personal commitment and involvement. Collectively, they try to modify the situation in their own interests, either unilaterally or in a process of bargaining in which they seek to bind management to precise rules on issues specially important to them. Gamesmanship, bluff, and power maneuvers are pressed into service by both sides. Bargaining is essentially a low-trust activity for a low-trust situation. More and more the employment contract and the collective agreement become jealously defined exchanges in which each side watches the other carefully for failure to discharge its obligations and seeks the maximum advantage compatible with continuance of the relationship.

This organizational situation has been analyzed at some length, because in certain respects it represents in microcosm what goes on in the wider society. We inhabit a world powerfully shaped by the principles of contract, wary mutual inspection, individual and group self-seeking, and other forms of low-trust behavior. Industrialization and commercialization—with their extreme differentiation of functions, their precise definitions of obligations, and their principles of self-interest pursued through

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the exercise of power—have brought most of us widely varying degrees of material benefit; but they have also brought us a social system characterized by distrust. Increasingly, individuals and groups feel the need to secure by their own efforts what they see as their just deserts, mobilizing and enforcing such degree of power as they can. The lucky ones at the top of the hierarchy can often exert power for their own ends with little publicity. Their use of power goes relatively unremarked. Those less fortunate at the middle and lower ranks are obliged to combine and fight for their own hand collectively, making themselves visible and noisy and thereby attracting attention from those who believe—or wish others to believe—that only when power is visible and noisy is it being used; a very convenient belief, of course, for those with so much of it that they rarely need make themselves conspicuous by either.*

Problems of the Low-Trust Society

WHATEVER ABSTRACT SENTIMENTS of nationalist feeling or patriotism may be held by the participants, it is clear that this system is profoundly destructive of community and fellowship, meaning by these terms fellow feeling, mutual sympathy, and a shared consciousness of being one with another in the pleasures and pains of living. This becomes most obvious when group pressures for economic ends create or aggravate massive problems of costs and prices, currency stability, the export trade, and other economic and social variables. Every group is convinced that other groups are somehow managing to protect themselves effectively—the classic distrust situation—and, precisely because it feels unable to entrust its fortunes to company or government decision-makers, feels driven to enforce its own claims by whatever means it can. As rising material standards quicken aspirations still further, the tempo heightens. Social values urge us to produce in order to consume more, and to consume in order to produce more. Universal access to the mass media acquaints us all with various ways in which the quick, the clever, the powerful and the unscrupulous can make fortunes without incurring the tedium of hard dull work. Not only is justice not done, it is also *seen* to be not done. In terms of fellowship and community, this is a picture of moral impoverishment, which makes self-restraint seem a futile gesture which will only be swallowed up in the rat race practiced by the rest.

Most ominously of all, there are reasons for believing that the tempo of this spiraling distrust is as yet nowhere near its potential peak. Western society contains within itself destructive tendencies still a long way short of their full development. It would be a great mistake, in other words, to see present troubles as the highest point of a tide destined to ebb and afflict us no more. Temporary slackenings of tempo there will undoubtedly be, but it is plausible to argue that each renewal is likely to bring sharper problems than before. More and more organized groups in the middle and lower ranks are discovering the name of the game, and the name of the game is the enforcement of self-interest in a low-trust society by means of power. It is a game that has always been practiced by small, dominant ruling groups and classes, but it is now spreading fast. Rising aspirations, increasing confidence, and a modicum of power are bringing one group after another into the arena. It is vital to the analysis to recognize that there are still many groups at present lacking the aspirations and confidence. In the circumstances of the present and future, they are likely to learn fast. Low trust is highly contagious, as anyone caught in a burning theater or on a sinking ship soon discovers. Now, in the decades ahead, many groups which are currently weak or quiescent are likely to mobilize and join the competitive struggle. Given

* The analysis of this section can be found more fully developed in the author's *Beyond Contract: Work, Power and Trust Relations* (London: Faber and Faber, 1974).

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these trends toward a universalization of pressure groups all fighting for their own hand, the destructive inflationary scramble could reach an intensity dangerously threatening to the stability of existing institutions and values. A craving for the security of authoritarian solutions might become widespread. The aggravation of inflation by a multiplicity of organized groups each seeking to protect itself is the supreme expression of the low-trust society, and could culminate in disorder so acute as to promote widespread readiness to submit to authoritarian rule.

Low-Trust Relations and Social Morality

THE MORAL QUALITY of this scene, as it develops within a context of gathering inflationary pressure and government attempts to contain the upward movement in incomes, is not enhanced by the tendency of large sections of society (a tendency arising from a mixture of ignorance and a will to avoid uncomfortable questions and still more uncomfortable answers) to conceal from themselves the true nature of the situation and to indulge in moralizing cant and hyprocrisy. One of the least attractive features of the British scene is the sight of those comfortably conscious of being among the most favored, directing moral injunctions at manual workers, urging them not to be greedy and to allow a larger share to go to the old and low-paid. This notion that it is the better-off manual workers who are uniquely responsible for the plight of the old and low-paid is becoming increasingly popular. We see here the moneyed classes—the expensive lawyers, the stockbrokers, the top executives, the property speculators, the wheeler-dealers of the City—sadly shaking their heads at this greedy refusal of the affluent wage-earners to allow their less fortunate brethren to catch up.

The definitions, concepts, and phrases through which is conducted the public debate on all this, reflect overwhelmingly the interests and perceptions of the rich and powerful. The ideological use of language in defining current problems and union behavior would be a study in itself, and labor movement activists badly need help in challenging these class definitions—always assuming they would be willing to use it. It is obvious enough, of course, why recent years have evoked a specially rich crop of this kind. The current grief of many middle- and upper-class worthies is easy to understand. Bishops and stockbrokers alike are increasingly uneasy at what happens when the lower orders begin to learn the game previously played only by relatively small and privileged groups.

One might suppose from all this moral unction that the business, financial, and professional middle and upper classes of Britain really *are* being forced to look round for scrag-end of mutton; cancel that holiday in the Algarve; go without the weekly bottle of Tio Pepe. Perhaps the only necessary comment is that few trade unionists are likely to believe it. Why should they? What is there, in their experience of our society, that convinces them the wealthy and powerful classes are likely to go short? Such are the persuasive cynicisms of a low-trust, class society. Rarely are they unjustified. In any case, what determines people's behavior in this context is what they *believe* is happening elsewhere, and it is characteristic of low-trust situations that participants believe the worst.

Of course, this is the point in the argument when economists produce their shop-worn cliché calculations showing that if all income over a certain amount were confiscated and redistributed, average income would increase by only a small margin. The fact that so many of them clearly imagine that this settles the issue only demonstrates how far political education has still to go. In a recent television current-affairs program we heard:

Eminent Interviewer (doubtfully): "Perhaps given rising prices the lower-paid gas workers who have just come out on strike have a bit of a point when they see property speculation deals and all that . . . ?"

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Eminent Economist (smiling): "Perhaps the government ought to have been cleverer about prices. However, I don't think we need go into the higher morality of all this . . ."

Eminent Interviewer (hurriedly): "No, no, of course not . . ."

No, indeed, let us not go into the higher morality of it all. If we did we might discover how flimsy and gimcrack the whole moral structure is. Let us continue playing Hamlet without the Prince! Incomes policy without the higher morality!

THE PRECEDING OBSERVATIONS are designed to suggest the ethical seediness of our present approach. The moral structure of society is simply not standing up to the strains the universalization of rising aspirations and intensifying group pressures are bringing to bear on it. Our argument suggests that in a competitive low-trust society, where everything from which a profit can be made is up for grabs; where clever young men in the City, for example, can make a fortune in a few months by simply buying, stripping, and selling companies; and where speculation by British companies against sterling in times of crises is defended as "simply pursuing the company's legitimate financial interests" (another phrase culled from a recent television discussion)—any exhortations to trade unionists to be patriotic, moderate, and responsible will remain futile, as they rightly deserve to be. These exhortations are tantamount to appeals to behave in a high-trust manner in a low-trust context. What possible moral basis exists to support such appeals? What possible moral basis exists from which to condemn striking gas workers and hospital staffs when we so blandly condone other expressions of self-interest and the corruption of community and fellowship?

Instead of such questions as "How can we compel the members of this or that group to behave as we want them to behave?" we urgently need to ask a very different type of question: "What are the circumstances which induce members of this society to behave as they do?"

Such a question evokes a sobering answer. Not only is the design and structure of work such that rank and file feel little moral adhesion to the organization (be it privately or publicly owned); but also the design and structure of the wider society is such that they are unable to bring any spirit of community and moral involvement to that either. And in the absence of this spirit, men turn with terrifying readiness to gestures of self-assertion and distrust. It must surely be clear by now that advanced industrial society on the Western model generates destructive tendencies toward predatory behavior by individuals and groups which are mounting in intensity. Crucial to an appreciation of this point is the recognition that predatory behavior in the jungle is not necessarily, or even often, an expression of innate aggressiveness, but rather a condition of survival. All the signs are that these tendencies reinforce each other in a rising spiral if left unchecked.

What Is to Be Done?

IN TURNING TO this question, it is relevant first to remind ourselves of what a dangerous psychological encumbrance has become the central assumption of much liberal or social-democratic reformist thought in many Western countries. This is the comfortable belief that embodied in these societies is an evolutionary dynamic of progress and reform, which is carrying them through a slow but inevitable transition toward social justice and equality.

The British version of this delusion received an early formulation through some of the prominent pioneers of the Fabian Society in late Victorian times (when paradoxically the argument could be made to seem more plausible). This conception, with its basic theme of the "inevitability of gradualness" in the advance toward a rational and just society, and its argument that the governing and administrative classes would be increasingly infiltrated by an enlightened Fabian-

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thinking elite, fostered a belief that forces were in motion which would carry us irresistibly on a leisurely and civilized journey toward whatever pattern of socialism was required by an efficient industrial society (socialism was to be nothing if not efficient). Subsequent piecemeal social reforms and the overall enhancement of economic welfare have reinforced this by creating a widespread delusion that Britain is engaged in a long-term progress toward an egalitarian society. In the face of this, it is essential to promote a wider understanding that no such egalitarian forces are automatically generated within advanced industrial societies. Indeed, the very urgency of the need to get to grips with the equality issue derives from the probability that powerful forces are constantly at work in the opposite direction.

Massive inequalities of property ownership are forever generating massive inequalities of income. In Britain, dominant groups are being infiltrated not by Fabian socialists but by tough, young ex-grammar school meritocrats, astute enough to see that concessions must be made in a variety of directions but confident that, provided this is done, they and their friends will be left free to pull down some very large and very ripe plums. An equally laughable aspect of the inevitability myth is the notion that the working classes are destined to move spontaneously toward socialism. Why should they—in a low-trust society which teaches them, as it teaches everyone else, to practice acquisitive self-assertion through power? Each successive decade of even such abundance as they are likely to enjoy will only, in the context of our present social values, confirm them, as it has already confirmed the middle and upper classes, in the delights of private affluence and privileged access to superior education and health. (Private education and private medicine are growth industries in Britain.) Along with these trends go increasing political resistance to taxation and a search for self-justifying excuses for this resistance, which take the form of hatred and contempt for the supposed laziness and moral weakness of welfare recipients.

Major sections of the American trade union movement are now actively displaying all these trends. Such are the dynamics of advanced Western industrial society, operating on its present values, that the danger is very real of a mounting tempo of competitive acquisitiveness, which increasingly erodes sentiments of trust, fellowship, and compassion. Thus the urgency of the problem derives from the fact that, in seeking to mobilize these sentiments to promote a humane and equal society, we are trying to mobilize what already threatens to become a wasting asset. For this reason we cannot begin too soon on a far more intensive mobilization campaign. In Britain, recent Labour party doctrine on this question has appeared to rely heavily, for the financing of welfare provisions, on the increasing yield of given rates of tax upon a rising Gross National Product. This view of social compassion as simply a spin-off from affluence does not seem to be laying the foundation for a humane and equal society. If the dictum that socialism means high taxation is politically damaging, it will become more rather than less so as time progresses.

The mobilization of sentiments, however, is only the preliminary (but essential) precondition of further political action. The earlier reference to "institutionalized" trust (or distrust) is itself enough to demonstrate that liberal values do not secure their effect simply by being expressed verbally or in interpersonal relations. They have to be embodied in the actual structure and conduct of our institutions. Since existing institutions and mechanisms are underpinned by a deeply entrenched power structure, strong countervailing power will be needed to change them. We cannot, for example, change the criteria by which we financially reward each other in work without securing fully effective control of the distribution of rewards—which means public ownership of by far the greater proportion of economic resources.

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The task here would be nothing less than that of trying to operate the technological and organizational resources of a modern economy within a social framework of institutions and values seeking to evoke some degree of trust and fellowship from participant individuals and groups. Given the division of labor and technology of most work organizations (not open to *major* change without considerable economic cost), it is doubtful if rank-and-file employees will ever feel any substantial intrinsic involvement and high trust attitudes in their immediate work tasks. If, of course, men should come to show themselves prepared to forgo some margin of material benefit in order to enjoy the intrinsic rewards derivable from smaller-scale operations, reduction of hierarchy, and high-discretion work, this would be a different matter. But if they chose size, hierarchy, and low-discretion work (insofar as these were required for material abundance), we could not expect the work organization as such to offer a very high-grade pattern of human association. Nevertheless, in terms of individual and group commitment to, and moral involvement in, the wider society, we could hope to make it possible for us all to feel some responsible concern for the cohesion and integrity of our common life. It is increasingly difficult to see this growing out of the present system of gross inequalities and systematic self-seeking, especially when this is accompanied by the kind of self-deception and hypocrisy that defines some forms of predatory self-seeking as respectable and others as greed.

If the solution is not to be found in moral diatribes, neither is it to be found in attempts at disciplinary or repressive legislation; in reforming the procedures of collective bargaining; or in any other policy that preserves those structural features of our society, which snatch us all up willy-nilly in the low-trust game. It will only be found, if at all, by changing to a different game; a game in which gross disparities of wealth, income, and status are simply made impossible. Coupled with a determined long-term campaign to level up the incomes, housing, education, and health of the large deprived groups still existing, there might just be a chance that such a policy would provide soil for fragile shoots of trust, community, and fellowship. In such a context we might find not only the moral strength to restrain our own hand, but also the moral confidence to put down such predator groups as were still disposed to chance their arm.

IT WOULD be foolish to play down the full implications of such a frontal assault on privilege. As we have noted, the present distribution of wealth, income, status, and life chances are supported by a deeply entrenched power structure, and to change that structure will require the mobilization and exertion of counterpower. But exertion by what means? Fortunately Western societies have to hand a set of institutions for the nonviolent transfer and application of political power. It is called constitutional democracy. Could these institutions take the strain of such an assault on power and privilege? The responsibility for any breakdown would lie with those who resisted the constitutional procedures. To argue that the pursuit of greater equality must be abandoned because in the last resort the wealthy and the privileged would offer violent resistance to the majority political will, as constitutionally defined, would present two implications of major importance. The first would be that the liberal-democratic tradition of constitutional democracy is capable of producing only marginal reforms—an extremely grave conclusion for those with compelling convictions which range much further. The second would be that we must submit to this dominance; that the privileged must be allowed to retain their position solely because their power would enable them to create violence and threaten things we all value. Their privileges therefore become the price they extort from the rest of us for avoiding the miseries of violent conflict.

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This might conceivably prove to be the situation when the really fundamental issues are joined. There seems no adequate reason, however, for allowing our moral convictions about man and society to be blighted at the outset by such pessimistic, hypothetical considerations. We should proceed, until events persuade us otherwise, on the assumption that if we proved able to convince enough people that in order to build a cohesive and stable society we must abolish wealth and privilege, we could exert this power through nonviolent institutions to secure our ends.

What are the grounds for believing that equality—the contracting of the extremes of wealth, income, and privileges within narrow limits—would sufficiently mitigate the acquisitive group self-seeking which so disfigures our society? Clearly the central arguments of this article stand or fall on this belief. It is justified by much observation that while there are always social predators who must be put down, most social aggression is a form of defense against feared encroachments by others. When men believe they see others gaining a defensive or offensive advantage through an assertion of power, they follow suit. In doing so, they provide the same cue for action by others, and thus the downward spiral of distrust is reinforced.

All the evidence is that the nearer conditions approach to equality of treatment, the easier most men find it to accept limitations to their material aspirations in a spirit of fellowship. Obviously for those at the top of the pile, the situation we are contemplating represents nothing but loss, and they could be expected to react accordingly. But for those at lower levels, the relevant question is whether the pain of limitation would be offset by (1) the knowledge that no other groups were using power or influence to evade limitation; (2) the demonstration that limitation was part of an overall long-term plan to extinguish the gap of privilege and inequality between rich and poor—a plan also covering education, health, housing, and old age, as well as wealth and income; and (3) the discovery that a social contract negotiated with trade unions and other relevant groups, on a relatively high-trust basis, offered a degree of stability which made planned economic growth possible without inflation.

I believe it is not self-evidently absurd to suggest that sufficient numbers of the lower and middle ranks of industrial societies could be brought—given leadership and great educative effort—to respond to such a program. Should current trends continue to develop, many of them might greet it with relief. But if they are not presented with it they will not be able to greet it in any way at all, and may well seek relief in a very different political program, provided this appears to offer escape from the corroding insecurities of galloping inflation.

A Radical Ideology for a Radical Program?

IT IS WITH RESPECT to this problem of presenting the program and mobilizing support for it from the mass ranks of wage-earners, lower salary-earners, and conceivably even some at higher levels, that I want to develop another central theme. I believe we shall not be able to maintain our own resolve, nor inspire resolve in others, without the support of a political analysis and a language which cuts more deeply and incisively than that currently found in most publications of social-democratic or liberal movements. For examples we may turn again to the British scene. Here we too often move in a world not of class, exploitation and power, but of "fairness," of weak interpretations of "equality of opportunity," and "Tory meanness." It is a world of the more or less; of marginal tax adjustments here, enlargement of welfare benefits there, promotion of regional economic growth somewhere else. It is a world wherein are made such extraordinary concessions to privilege as the individual's so-called rights to buy superior shares of scarce life-giving and life-enhancing resources like

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education and health treatment for himself and his family.

Can a philosophy of this kind take the weight of a political struggle which would undoubtedly be of a major order? We surely have to admit that it was not designed for such a struggle. Doctrine and language have adapted far too well to the restraints and niceties deemed, falsely in my view, essential to the conduct of nonviolent political institutions. Because tension and distrust in our society lie far too deep to be illuminated and analyzed within the context of a philosophy of this sort, that the call for a radical analysis has to be made. Here we return to the fact that large numbers of people are failing through ignorance, self-deception, or wishful thinking to grasp the nature of the society in which they live, and the significance of the tensions it is now undergoing. This is not to say, of course, that they underrate the gravity of the *symptoms*.

In Britain the air is thick with jeremiads predicting social disaster unless the trade unions (or the "other" unions—never one's own) can be taught sense and social responsibility. What is being studiously avoided is any searching analysis of why individuals and organized groups at all levels in our kind of society behave as they do. The avoidance is practiced not only by the wealthy and privileged, whose intense reluctance to ask searching questions is in the direct proportion to their fear of the answers they would receive. The absence of any cutting edge is also noticeable among leaders of the labor movement. Some of the reasons are not far to seek. I am concerned here with those leaders at many different levels who—while perhaps prepared to accept under pressure that the power structure, and gross inequalities and class and group distrusts of our society are the root causes of our most serious instabilities—fear that to present the political debate in these terms would promote an escalation of conflict, which might in the end threaten liberal freedoms and valued institutions without even achieving a more equal society. Along with this go long-standing apprehensions that once such a bandwagon were to begin rolling, we should find many jumping on it whose motivations and purposes bore little resemblance to our own.

These are serious considerations. Only a barbarian despises liberal freedoms, and only a fool lightly puts at hazard their associated institutions such as constitutional democracy, collective bargaining, "due process" and the rule of law. For the sake of the argument, let us examine the case that these rest upon self-imposed restraints which have to be finely judged by those operating them. Let us imagine, it might be said, a rich man's government which extorts such privileges for its friends and imposes such oppressive deprivations upon the rest that constitutional democracy comes to appear, to the latter, no longer worth supporting. Pushed beyond endurance, they take to the streets. But by the same token, it could be argued, reformist governments must recognize the same danger. Pressed by legislation which, however immaculately processed through parliamentary protocol, bore intolerably upon their property, income, and status, the favored classes would likewise question the worthwhileness to them of constitutional procedures and would resort to force, carrying with them, no doubt, the police and armed services under the banner of "preserving the national heritage."

Plunged into the miseries of open violence, so the argument might run, we would have little prospect of building the New Jerusalem. Such a desperate gamble would only be justified, it could be said, if there were no other channels through which aggrieved groups could express their discontent. But this is not true of ourselves. Evils there are, but they do not wholly blacken the scene. Better by far to cherish those institutions through which we can gradually introduce reforms which, while not achieving the social millennium, are valued by their recipients, meanwhile preserving the liberal decencies and restraints. And this process of cherishing

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the relevant institutions in politics and industry includes extending generous interpretations of the survival needs of the opposing party; includes not pushing them beyond a certain point; includes conducting this "managed" conflict according to certain mutual expectations of method, behavior, and communication.

And here we take up again and put in its context the point made earlier—the widespread avoidance of any attempt to acknowledge and state in appropriately stark terms and with the appropriate analytical cutting edge, the power and class realities of the society we live in. For by the canons of liberal-democratic institutions as we operate them, this is dangerous language, inflammatory language stirring primitive resentments and aggressions, which it is precisely the business of liberal institutions to civilize and control; language which for these reasons frightens and alienates many of those on whose votes one depends. It is language which attracts, too, the psychopaths of social and political life whose personalities feed upon conflict and confrontation.

THESE ARGUMENTS must be seen, of course, alongside the many other motives which support our liberal-democratic institutions, such as sheer self-interest, the confusing of means with ends, and sentimental veneration of tradition. I pass lightly over these only because they are the tedious universals of human vanity, greed, and weakness, which can be taken for granted in every situation. The other arguments are far more interesting. They help to account, I believe, for the widespread tacit agreement between political and industrial enemies that certain types of analysis, certain types of argument, certain types of language, must not be used. They would raise the temperature; generate powerful emotions not easily banked down; stimulate feelings and aspirations among one's own rank and file which would strengthen rival leaders or movements not easily contained. All these, it might be said, would threaten the smooth working of the institutions on which we set such value. Considerations of this kind—along with the other personal motives I am taking for granted—contribute to the extraordinary muffling of our political and industrial contention.

All this is highly convenient for those who derive wealth, power, and privilege from the existing order. It represents a sad state of socialist political awareness and socialist political education. And a central argument of this article is that it represents a sad state of affairs for those who want to pursue socialist equality while retaining what is best of the liberal-democratic tradition. For, in contrast to the arguments just reported, it begins to look doubtful whether that tradition can be retained *unless* we change social institutions drastically in such ways as to minimize mutually destructive competition. And we shall assuredly not be nerved to pursue such changes unless we provide ourselves with the support of a radical analysis to underpin radical prescriptions.

It is thus becoming possible to turn the conventional argument on its head. Proposals for a major transference of property to public ownership and for an onslaught on all other structural causes of inequality are often conventionally seen as deriving from an "extreme" position associated with an authoritarian political stance and contempt for the liberal-democratic tradition. Conversely, support for that tradition is associated with a political stance which urges "responsibility," "moderation," and "restraint." As we know perfectly well, such term, in the political context, often indicate that their user is urging us to limit ourselves to a gradual process of ameliorative reform, as against fundamental social change.

What is now in doubt, however, is whether such a process can reverse the slide into that extreme low-trust vortex which threatens the tradition we seek to preserve. Responsibility, moderation, and restraint (if they are anything more than phrases by which a relatively weak group squeezes virtues out of its nec-

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essity) are qualities nourished only by high-trust situations. They are manifestly not being nourished by our present situation of cumulative low trust. This is the logic for arguing, then, that the health and perhaps even the survival of the liberal-democratic tradition rests upon a determined and planned cultivation of high trust based on equality, and that this requires the use of power to change the economic, educational, and social mechanisms and institutions of inequality. In short, if socialism is about equality, equality is about the use of power, not to make marginal adjustments within the system that produces inequality, but to change the system itself.

But if this political power is ever to be mobilized, it must be mobilized on the basis of a social analysis and ideology very different from that which urges us to practice moderation and restraint within the existing structure. Such admonitions could have a legitimate place if designed to shore up that structure and to stem the gathering instabilities until the creation of an equal society could get under way. But to serve such a purpose they would have to be presented as simply temporary expedients, and be combined with a presentation of the radical perspective and its prescriptions. Used by themselves they must appear, however sincere the motives of the admonishers, to be fulfilling the function of trying to stabilize a system of organized inequality which is revealing some inconvenient symptoms now that the lower ranks are increasingly aspiring to get in on the act. If this appearance is to be avoided, then the radical perspective must be an accompaniment. Indeed, we cannot do without it, for it is a crucial resource in mobilizing the necessary sentiments. To suppose that men socialized in the doctrines and behaviors appropriate to ameliorative marginal reform will, in sufficient numbers, find their own way spontaneously at some future date to more radical analysis and solutions is, I submit, self-deception. We are back to the incubus of gradualism. If we really want to mobilize a force for equality the only time to start is now.

It would be pointless to pretend that we in Britain have progressed far in the search for a radical ideology and program appropriate to our own conditions. Perhaps incalculable damage has been done to this search by the historically created association between a Marxist *analysis* of capitalist society and those Communist (particularly Stalinist) *prescriptions* indelibly linked with totalitarian destruction of the liberal-democratic political and trade-union freedoms. Such associations contribute to a situation in which any social analysis in terms of class, exploitation and power arouses automatic fear and rejection even among those whose own interests stand to benefit. Progress in this search therefore depends upon lifting our thought processes out of the mental ruts worn by history. There is, after all, no immutable political logic which binds wholesale public ownership and the abolition of wealth and privilege with totalitarian suppression of political and trade-union freedoms. Have social inventiveness and creativity so totally deserted us that we must remain transfixed in the political postures which developed out of the mutual hatreds and distrusts among the Left during the 1920s and '30s? The radical solution will only be able to recruit talent and energy if it can liberate the debate from these historically created constraints. Only when this intellectual logjam is cleared shall we become capable of a dialogue searching for ways of combining modern technology and organization, equality, and the best of the liberal-democratic tradition.

But this is only part of the answer. Another, major reason why many active members of labor movements reject the radical analysis and its prescriptions is that they reject equality. While prepared—indeed, perhaps anxious—to seek reforms which mitigate inequality, they are not attracted by radical change. There is no reason to stress only self-interest, though no doubt that plays

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its part for some. An important element may be a belief in the inevitability of marked inequality in all human societies. Volumes could be written on the role of self-fulfilling prophecies of this kind, which themselves produce the very outcome they predict.

Beliefs & Issues: Need for Clarification

I HAVE TRIED to sketch here the bare bones of one kind of radical analysis and set of prescriptions. To those who recoil from it, I believe it fair to suggest that they put to themselves some possibly painful questions. Do they really want to reduce inequalities to the most minimal proportions? If so, do they believe this state of affairs to be achievable without mobilizing support for a wholesale program of public ownership and other assaults on the structural origins and supports of inequality? If so, what are these alternative methods? If they do not want an equal high-trust society, how do they see the present grossly unequal, low-trust version as coping with the strains generated by our competitive, acquisitive institutions and values?

It might be that the answers to such questions would reveal one major approach to consist of (1) a wish that inequalities could be greatly reduced; (2) a profound pessimism about the chances of mobilizing the political support for this aim; (3) fear, therefore, that to present the appropriate analysis and prescriptions would alienate so much potential support as to make impossible the pursuit of limited but attainable reforms; and (4) the decision that wisdom dictates continuance of the social-democratic or liberal stance pursued hitherto. If this is so there would be much to be said, in my view, for having the honesty to admit that submission to the present power structure, which generates and upholds gross inequality, must be considered inevitable and permanent; that socialism and equality are simply not on the agenda; and that the most which is hoped for is ameliorative reform. It would not then be necessary for those declaring such a philosophy to engage in rhetoric about equality which was entirely unsupported by proposals for structural change. Politicians of all persuasions are said to be uneasy at the low public repute of their occupation. If there is one conviction shared by many laymen on this issue it is that honesty is often underrated as a political asset by those active in public affairs.

One can only conclude by arguing that those still prepared to entertain the larger hope must encourage restatements of the socialist critique of society which recognize the urgent need to mitigate the socially corrosive and destructive tendencies currently developing. At present there is no alternative vision which commands a widespread appeal. The social instabilities, strikes, and other conflicts we are now witnessing are not gestures by groups with a vision of a nobler society which they are trying to bring to our notice. Here we see, not groups that are trying to induce us to change to a different game, but groups that are simply trying to play the *existing* game. This makes them no worse than anybody else. But it also makes them no better. The issue is whether these mutually destructive pressures of self-defense, in which we are all caught up, drive us to desperate remedies before we have learned how to control them. I have argued that control requires the mobilization of a majority behind a new watchword for a new game. And the name of this game is equality. Are we capable of learning in time? The longer we delay trying to actualize such potential as remains for a high-trust society, the less potential there will be to actualize. One thing is, in my view, certain. No longer can we rest content with a view of equality as the terminal point in a slow, evolutionary journey which mercifully will long last out our own time. Suddenly it begins to emerge, harshly and brutally, as the condition for any politically adult and stable industrial society which hopes to be cohesive, unified, and flexible enough to withstand the stresses of a rapidly changing world. □

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Leszek Kolakowski

Georges Sorel: Jansenist Marxist

In what sense is Georges Sorel's writing part of the history of Marxism? Sorel did not participate in any political movement that laid claim to Marx's inheritance. He involved himself, to be sure, in all the great theoretical polemics of his age, but he did so from the outside, and the guardians of orthodoxy paid him scant polemical attention. He remained aloof from political quarrels and party strife. Sorel did not consider himself an orthodox believer, and he was not sparing in his critical remarks, when he considered them important, both with regard to Marxists and Marx himself. He did not write any treatises on historical materialism. He left behind him a vague trace of associations with Italian fascism, which for a time—through Mussolini and other ideologists of the movement—declared him its prophet. In the evolution of the doctrine he could pass as an accidental extravagance. He began his literary career at a time when he had nothing in common with Marxism. In the later histories of the doctrine his name is hardly mentioned.

And yet, in the years when his most important writings were conceived, Sorel did not merely consider himself a Marxist. He believed that he would succeed in extracting from Marx's philosophy its real core—the idea of class war and the independence of the proletariat—and he attempted to oppose his own Marx to all contemporary orthodox thinkers, both revolutionary and reformist. He hoped, unsuccessfully, to be the Luther of the Marxist movement, which he saw as ensnared in corruption and struggles for power and privilege, like the one-time Rome/Whore of Babylon in the eyes of the German reformer. Sorel dreamed of a morally and theoretically pure Marxism. He created his own brand of Marxism, supplemented by the most varied sources, and yet his brand was not at all eclectic but, internally, unusually coherent. He had an unquestionable influence on such early ideologists of Italian communism as Antonio Gramsci, and also on Angelo Tasca and Palmiro Togliatti.

Yet Sorel differed from other contemporary Marxists, not merely because he had his own interpretation of Marx and criticized him now and then, since that happened even with such fanatics of orthodoxy as Rosa Luxemburg. He was different, primarily, because all the orthodox believers regarded Marx's doctrine as scientific truth in the same sense that the quantum theory or the theory of evolution is or can be true. For Sorel, on the other hand, Marxism was true in the pragmatic sense of the word. That Marxism is true means, for Sorel, that it is the ideological articulation of a movement that can liberate mankind and bring it rejuvenation; it is true as the only and irreplaceable tool history has given the proletariat to use, although history does not guarantee that the proletariat will use it. Marxism is the truth of its time in the same sense that early Christianity was the truth of its own time. Marxism is humanity's hope for rejuvenation, and not a "scientific" explanation of history, an instrument for effective forecasting, or a collection of reliable data about the world.

The present article is a chapter from a history of Marxism, which will be published by Clarendon Press.

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In other words, Sorel treated Marxism as the tool that in his age could most effectively further the realization of man's higher values —although those values, for Sorel, were independent of Marxism, both genetically and in content.

Sorel, therefore, could remain what he was, as those prime values were concerned, and still change his attitude toward Marxism. He could be a Marxist or a nationalist and yet be faithful to his guiding idea, for which Marxism was merely a historically relative tool. In this respect he was certainly not a Marxist—even in the period of his most ardent allegiance to Marxian philosophy—in the same sense that Kautsky or Labriola were Marxists, not because he perceived the content of the doctrine differently, but because he saw its historical significance differently and was not afraid to interpret Marx in the light of principles drawn from completely different sources—Proudhon or Tocqueville, Bergson or Nietzsche. He was also one of the few who attempted to mold Marxism according to the philosophical style of neo-Romanticism, to conceive of it pragmatically, activistically, with an emphasis on psychological conditions, recognizing the independent role of tradition, in a radically antipositivist and antirationalist spirit.

Ideas of greatness, dignity, heroism, and authenticity predominate in Sorel's thinking on social matters—while revolution, the proletariat, and the class struggle are in a way historical embodiments of these higher values. The spirit of radicalism and intransigence is more important to him than the content of what this radicalism and intransigence refer to. It seems that Sorel approves of everything in human history that emerges from authentic impetuous desires, disinterested fervor, great incentives, and great hopes. Hence he bows to religious faith insofar as it is a passion, but he scorns religion insofar as it is scholasticism or politics, or is contaminated by calculation, conciliation, or rationalization. He is an enthusiast of the working-class movement insofar as he sees in it a movement of revolt in the name of the great myth of renewal, but he scorns parliamentary measures and modest reformist efforts. He rejects the traditional socialist anticlericalism insofar as it is an area for cooperation between socialists and bourgeois radicals, but also insofar as it grows out of the 18th-century tradition of rationalism and optimistic faith in the continuity and inevitability of progress. He combats nationalism insofar as it is an attempt to deprive the proletariat of its absolute distinctiveness, but when he is discouraged by syndicalism and turns to nationalist radicalism, he is governed by the same motives that made him a Marxist: he expects that national radicalism may give rise to the hope of restoring to the world its youth.

In every struggle Sorel is more interested in the heroism of the warriors than in the validity of the case or in victory. He is more concerned about the conquistador spirit of the proletariat than about the prospects of a socialist triumph. His adhesion to the proletarian movement is not a union with the oppressed for the sake of improving their lot, but an adhesion to a historical wave that promises the rebirth of greatness. He desires the total spiritual separation of the proletariat from all bourgeois culture.

THE SOURCES THAT SHAPED Sorel's thinking are astonishingly diverse, and yet in his writings they form a consistent whole. His presumably Jansenist upbringing inoculated him with an antipathy to any optimistic faith in the inherent goodness of human nature, in the ease of triumph over evil, and in the possibility of attaining great values with small efforts. His disdain of Jesuitic conciliation stems from the same source; so do his general stance of intransigence, his striving for radical separation of the sect of the chosen from the rest of the world, his refusal to compromise, and his thinking in terms of "all or nothing." Hence also his attachment to the tradition of *radical* Christianity, that is, to the Christianity of the

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martyrs, and hence his disbelief in the inexorability of progress.

A technical education and work as an engineer implanted in him, in turn, a cult of professionalism, a dislike of dilettantism and empty rhetoric, a conviction of the fundamental role of production (in contrast to exchange) in the society's social life, and an admiration for capitalism in its acquisitive, primary, ruthless forms full of energy and a spirit of expansion, untainted by philanthropy or accommodation.

Marx showed Sorel the social place where a revolution of renewal would take place. He opened his eyes to the proletariat—a clearly individualized class of direct producers who are forced to sell their labor power and embody the hope of a total revolution that would liberate mankind. The idea of total revolution, which the proletariat would carry out *alone* with its own forces and on its own initiative after a complete break with the rest of society, the idea of class war, the literally understood idea of tearing down the state, and disdain for utopian thinking—these are the fundamental motifs in Sorel's Marxism.

Giambattisto Vico supplied Sorel with the concept that was to form the content of the coming revolution: *ricorso,* mankind's cyclical returns to its forgotten sources. The proletarian revolution was to be such a return to the cradle, a restoration of the original values that were alive in tribal morality.

Proudhon also had an influence on Sorel. Because of Proudhon, Sorel apprehended socialism as being above all a moral matter, that is, a matter of educating a new type of man (the ethics of the producers). Proudhonian is the concept of the proletariat as a kind of primitive tribe, which is forced to divide the world into itself and all the rest. From Proudhon also comes the importance Sorel attaches to family and sexual morals in social life. Like Proudhon, Sorel never characterized socialism in terms of welfare, but only in terms of *dignity* and *justice.*

Bergson was for Sorel the most perfect philosophical exponent of the style of thinking that prevails in his own writings. From Bergson's philosophy comes the opposition between intuitive, "global" perception and analytic thinking, which in Sorel is particularized in the contrast between "myth" and "utopia." Bergson also supplied him with the conceptual tools needed to oppose the idea of unexpected spontaneity to scientific determinism, combined with faith in the predictability of social processes. From Bergson, Sorel also took his conviction about the inexpressibility of the concrete, which allowed him to protect his idea of "myth" from rational argument.

It is clear, finally, that in Sorel the Nietzschean tradition touches upon the cult of greatness, upon the hatred of all mediocrity and of a political life dominated by party bargaining.

The great writers of liberal conservatism—Tocqueville, Taine, and Renan—heavily influenced Sorel in the first period of his writing, and in certain respects that influence extended also to his Marxist phase. They taught him to be politically sober and to look for vested interests behind the humanist rhetoric; they were the first to supply him with information about early Christianity, revolution, and the *ancien régime.*

Thanks to this diversity of influences, Sorel shaped a unique ideological work, shattering the traditional fusions of values and joining ideas as no one had done before him. Sorel defends—as a Marxist—certain values that were traditionally associated with conservative and right-wing ideologies: the dignity of marriage and the family, instinctive tribal solidarity, honor, the greatness of tradition and of religious experience, and the sanctity of law formed spontaneously as custom.

As a writer Sorel belonged to the breed of apostles rather than the breed of reasoners. He did not care about the consistency and structural virtues of his writing; he attempted to develop his line of thought without a preconceived plan, as if gropingly, but the

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leading tendencies and prime values are preserved without change. It is sometimes difficult to read his writings—not because they are unclear, but because they lack literary cohesiveness. Sometimes, at the beginning of a discussion, he will pose a question he is concerned about, then develop his thoughts in several different directions, and in the course of numerous digressions, lengthy quotations, aggressive polemics, and violent challenges he seems to forget his original subject. He was certainly a remarkable writer in the literary sense, like none of the orthodox Marxists, but he did not exert control over his talent. A lack of logical discipline and a passion for polemics make his writings extraordinarily difficult to summarize; yet several persistently recurring main ideas can be perceived. Brzozowski considered stylistic spontaneity and lack of preconceived structure an eminent quality of Sorel's writing [1]—and in this respect he resembles Sorel. They both have a style that imitates creative evolution in Bergson's sense: it develops, propelled by a certain tendency, but without a predetermined goal.

IF NONSCHEMATIC THOUGHT demands schematization, then, in Sorel's case, such a schema can be established by simply comparing the most frequently occurring pairs of opposites, according to which he developed his conclusions. Here is such a set. On one side it lists ideas, words, and values that Sorel stigmatized or criticized; on the other, those to which he subscribed:

utopian thinking	Marxist historical realism
epistemological rationalism	Bergson's notion of intuition and thinking in "wholes"
rationalism in social thinking	thinking that takes tradition seriously
determinism	spontaneity
the value of happiness	the value of dignity and greatness
political socialism	syndicalism
dilettantism	professionalism
the cult of the Great Revolution	the cult of early Christianity
reformism	revolution
belief in progress	voluntarism, the idea of individual responsibility
the politics of alliances	total separation of the proletariat
politics and power	production and organization of production
optimism	pessimism
intellectuals and politicians	the proletariat
political parties	exclusively workers' syndicates
political revolution	general strike
utopia	myth
democracy	freedom
consumer morality	producer morality
the religion of the scholastics	the religion of mystics and martyrs
decadence	*ricorso,* return to the sources
social sciences	the activist myth
the state	association of producers

Such a set of opposites may seem bizarre to anyone who has in mind the stereotypes and conceptual aggregates formed by the "classical" Marxists. But Sorel's aggregate has a sharp polemical edge to it. It is directed above all against contemporary socialist politicians, leaders of the International, against those whom he sees as just a gang of careerists intent on wresting privileged government positions from the bourgeoisie. For Sorel, Jaurès in particular is an enemy, and he pursues him without pity in practically all his writings. For Sorel, Jaurès is the symbol of bourgeois socialism, which attempts to appease the bourgeoisie in order to appease the proletariat, destroy the idea of class struggle, and introduce a new system of privileges in the name of general reconciliation.

[1] S. Brzozowski (1878–1911), Polish philosopher and writer, is the author of a very idiosyncratic collectively subjectivist (intersubjective) interpretation of Marxism.

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II
Biographical Information

GEORGES SOREL was born in 1847 at Cherbourg, into a bourgeois family. He studied at the École Polytechnique and worked until 1892 as an engineer in the Department of Bridges and Roads. He published his first writings shortly before retiring (*Le Procès de Socrate* [1889]; *Contribution à l'étude profane de la Bible* [1889]; *La ruine du monde antique* [1888]). But only around 1893 did he become interested in Marx's work, and then only in the antipolitical syndicalist movement, which had in part developed out of Proudhonian and anarchist traditions and whose most active organizer was Fernand Pelloutier. Sorel's study *L'avenir socialiste des syndicats* (1898), later included in *Matériaux d'une théorie du prolétariat* (3rd ed. 1919), was the first attempt at a theoretical generalization of the experiences of the syndicalist movement, which was developing independently and even in defiance of the socialist parties. In the 1890s Sorel collaborated with the periodicals *L'ère nouvelle* and *Devenir social* (in which he published, in 1895 and 1896, studies of Durkheim and Vico).

Sorel actively defended Dreyfus, but he felt a revulsion when the case was over, realizing that the socialist Dreyfusards were using the whole affair purely for party aims. To some extent the Bernstein case prompted him to a criticism of orthodoxy, but soon his criticism went off in a completely different direction. (Despite his fundamental hostility toward reformism, however, he retained his respect and appreciation for Bernstein, regarding him as an honest critic who aimed above all at showing the German socialists that their revolutionary programs had nothing in common with their actual politics—to which Sorel subscribed without reservation.)

Little by little, Sorel began to mount ever more virulent attacks against the socialist party movement, parliamentary democracy, and what he called political socialism in distinction to syndicalism. His most important Marxist writings are contained in *Réflexions sur la violence* (1908, expanded in subsequent editions); *Les illusions du progrès* (1908); *Matériaux d'une théorie du prolétariat* (1908, a collection of writings dating back to 1898); and *La Décomposition du marxisme* (1908). The first two books had been previously published in installments in the periodical *Mouvement socialiste,* which was edited by Hubert Lagardelle. The fourth edition of *Réflexions sur la violence* (1919) contains a supplement with an enthusiastic apology for Lenin and the Bolshevik revolt in Russia (Lenin himself was not interested in Sorel; he mentions Sorel once in passing and with total scorn).

In time, however, Sorel abandoned his hopes for French syndicalism, but he expected that a similar movement would develop and attain victory in Italy. He had many close ties to Italy; starting in 1898, he contributed to many Italian socialist periodicals; he took an interest in Italian intellectual culture (articles on Vico and Lombroso); his books appeared in Italian translations, and prominent Italian theoreticians commented sympathetically (Croce and Pareto) or attacked them (Labriola). In 1910, however, Sorel came to the conclusion that syndicalism had been excessively corrupted by reformist influences; he then put his hopes on the French and Italian radical nationalist movements and for a time collaborated with *Action Française.*

The Italian national-syndicalist groups, from which the fascist movement in part derived, were under Sorel's influence. In the beginnings of the fascist movement in 1912, as well as after the war, in 1919, Sorel declared his sympathy for fascism, which, he was convinced, could prefigure a social rebirth contained in the form of folk mythology. With this perspective he enthusiastically welcomed the Russian Bolshevik Revolution, in which he also saw a turning away from "Occidentalism" and a return to Muscovite national sources. After coming to power, the Italian Fascists frequently hon-

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ored Sorel as their spiritual patron, but this was merely verbal homage; the real ideology of fascism developed in a different direction and was intended above all to justify the brutal violence of authoritarian regimes—that is, exactly what Sorel particularly hated. However, the first Italian Communist weekly, *Ordine Nuovo,* edited by Gramsci in Turin from 1919 on, regarded Sorel as an ideologist of the proletariat.

Sorel died in 1922 in Boulogne-sur-Seine, where he had lived for some time. After the 1920s his ideas did not have any influence in any faction of the socialist movement or in the Communist International.

III
Rationalism Against History. Utopia and Myth. Criticism of the Enlightenment

What Sorel contends with under the name of rationalism is not a defined philosophical thesis. It is, rather, an intellectual attitude that, in his opinion, became widespread thanks to the Cartesian doctrine, blossomed in the salons of the Enlightenment, and had a pernicious influence on contemporary interpretations of Marxism.

Rationalism produces certain simplified speculative models, which then replace, in the thought process, the intricate realities of the world. Examples of rationalist constructions are all those simplistic theories of human nature that perceive man as a collection of certain permanent, general qualities and types of behavior, disregarding the historical conditions that influence actual human activities. Rationalists are accustomed to reducing society to an abstract universal man, which makes it very easy for them to spin out their speculations about the perfect society and to build utopian fictions of the future, free from conflicts, chance, or contradictory aspirations. Engels did not escape such thinking, because he too believes that "the world is reduced to a single man." Rationalists also imagine that rational motives govern all behavior—hence they are incapable of perceiving the psychological intricacies and numerous conflicting motives that influence life, the tremendous importance of tradition and custom, and biological, especially sexual, circumstances in social development. For example, because they failed to disclose the plurality of forces, particularly plebeian ones, undercutting the *ancien régime,* the rationalists viewed the Great Revolution as the triumph of idea over historical reality. Rationalism is a formula of simplified thought, a reduction of the world to the simplest schemata borrowed from legal reasoning, which naturally reduces people to legal units. The history of communist utopias is replete with rationalist prejudices. That is why these utopias never actually threatened established systems of power.

Rationalism is by no means identical with scientific thinking. This confusion—deservedly attacked by Pascal—was born under the influence of Cartesianism. Cartesianism was a method that made science suitable for salon conversations, hence its success. Like the scholastics, Descartes placed between man and reality ingenious reductive machines that make the true use of intelligence impossible. He made it easy for superficially educated men of the world, without any professional training, to talk in the salons about science on the basis of that "natural light" that makes every man capable of passing judgment on any subject.

The writers of the Enlightenment took over this style, because for Condorcet, as for Fontenelle, the goal was to teach, not professionals trained to work in agriculture or industry, but salon dilettantes. The entire ideology of the 18th century was one of men at the service of a monarchy; the philosophers played the part of jesters at the royal court ("tattlers, peddlers of satires or panegyrics, and especially jesters for the degenerated aristocracy"—such is Sorel's general characterization of Enlightenment ideology). Diderot explained that nature knows nothing else than the instinct of self-preservation and reproduction, in order to

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justify the debauchery in the salons. Now Darwinism was used for the same purpose. The Encyclopedia did not contribute to the development of any science; it was nothing more than a collection of dilettantish information intended for use in worldly conversations. The communist fantasies of the Enlightenment writers did no harm to anyone. It was dangerous to criticize abuses in the mines, but praising communism, preaching theories of natural right, extolling republican virtues, or attacking traditions in the name of paradisaical utopias—all this could easily be tolerated by the monarchy.

Beginning with Plato, utopian literature is a typical, fruitless product of rationalist illusions. "From the Renaissance on, utopias became a literary genre that simplified questions of economics, politics, and psychology to the extreme and had a deleterious effect on the formation of the revolutionaries' spirit."[2] Utopias are sterile because they establish an undifferentiated concept of an abstract individual—uninfluenced by historical traditions, religion, inherited customs, or national, biological, and psychological determinants—and they construct imaginary countries composed of such individuals. Utopias are dangerous because they appeal to the privileged classes, counting on their common sense, enlightenment, or philanthropy, and thus weakening the understanding of the class struggle on the part of the proletariat.

Marxism is closer to bourgeois Manchester economics than to utopian writing because it is a realistic look at a society torn apart by class warfare, which can be neither mitigated nor avoided. Certain utopian naïvetés that occur in Marx—in the *Critique of the Gotha Program,* for example —are incompatible with the spirit of Marxism, which does not appeal to a universal feeling of justice and does not attempt to form societies in a logically ordered schema, but takes into account the actual forces that influence history in all their complexity. Thanks to Marxism, socialism breaks off with utopian thinking. It no longer wants to be a "scientific" plan of the coming society or to replace the bourgeoisie in the organization of production: it wants to be the ideology of radical class warfare.

So, instead of drawing up abstract blueprints of the perfect social order, it is more proper to consider the way in which social institutions are spontaneously formed in history and to explain their significance by the totality of productive and psychological conditions. This is what Savigny did, opposing the rationalist doctrine of the social contract with a historical investigation of law, arising at first as local custom and stratifying by degree in the course of consecutive adaptations. The utopians found it easy to write constitutions for all the peoples of the world because they didn't bother much with real history—but Marxism is in fact an analysis of real, not rationalized historical processes.

In *Reflections on Violence,* Sorel pays particular attention to those aspects of social life that are most resistant to rationalization and form—are, so to speak, a layer of mystery in the social development as a whole and, at the same time, determine such development more than those aspects that are amenable to rationalization. In *morality* the clear and rational layers refer to relations of reciprocity, similar to commercial trade, whereas *sexual* life is a shadowy domain that is very difficult to reduce to simple formulas. In *legislation* everything that concerns *contracts* and *debts* is easy to rationalize, but questions of the *family,* which have a bearing on all social life, are more difficult. In *economics* commercial trade is a clear domain, but *production,* which in the end is decisive and in which various regional, historically rooted traditions are at work, is shadowy. The rationalists suffer defeat whenever they attempt to reduce the dark, qualitatively differentiated aspects of life, shaped by historical contingencies, to simple legal formulas. The real life of history is

[2] *Matériaux d'une théorie du proletariat,* 3rd ed., p. 26.

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more like art than a lucid logical construction.

The opposition between the rationalist and the historically rooted mentalities is nearly the same as the opposition between *optimism* and *pessimism*. Both words deviate from the current sense. The optimists include Socrates, the Jesuits, Enlightenment philosophers, ideologists of the French Revolution, utopians, believers in progress, socialist politicians, and Jaurès. The pessimists include the early Christians, Protestants, Jansenists, and Marxists. The optimists believe that evil comes from deficiencies in legislation or enlightenment, or from a lack of humanist feelings. They are convinced that legal reforms can easily bring about a paradise on earth, and when it comes to actions based on these illusions they resort to terror, which has to substitute for knowledge of real social conditions, as the leaders of the Revolution in fact did.

Pessimists do not contemplate any universal theory of the world that would establish rational order; they are conscious of the narrow limits in which our social schemes are tackled—limits determined by human frailty, the weight of tradition, and the inadequacy of science. They also see the general interdependence of all aspects of life; hence they treat social conditions as interconnected wholes, which cannot be corrected in parts, but can only be removed all at once in a catastrophic explosion. In Greece, pessimism was the ideology of the warlike mountain tribes, impoverished, proud, unyielding, and tied to tradition; optimism, on the other hand, was the faith of the prosperous commercial cities. Early Christianity was permeated with pessimism because it did not believe that the temporal world could be corrected by human effort, and it awaited the catastrophe of the Second Coming in unyielding isolation. Protestantism was an attempt to renew Christian pessimism, but it failed when it tried to imitate Renaissance humanism and in the end accepted its values. The pessimism of authentic Marxism is expressed in its refusal to believe in any automatic law of progress, in the ease of imposing arbitrarily contrived constructions of general happiness, or in improving the world through gradual reforms. Marxism is a catastrophic invocation, which the consciousness of the proletariat organizes, not in utopian programs, but in *myth*.

Myth is not a kind of utopia, but its precise opposite. Myth is not a description of the future perfect reality; it is only a perspective on the final struggle. Its value is not cognitive in the accepted sense of the word because myth is not scientific prediction; it is a force that organizes the militant consciousness of a closed group. The myth of the proletariat is the *general strike*. Myth is the only tool that will allow a struggling group to preserve its solidarity, heroism, and commitment. It is a state of consciousness that anticipates and prepares for the violent destruction of the existing world, but not by opposing to it a ready-made construction of the coming paradise.

In contrast to utopia, myth has a primarily negative function. Also in contrast to utopia, myth apprehends the existing world as an interconnected whole, which can be destroyed only as a whole; thus it is a spirit of total opposition and for this reason cannot be criticized the way reformist projects or plans for a future society can be criticized. Myth demands total acceptance or total rejection, and the believer in the myth is indifferent to arguments intended to militate against its feasibility. Utopias are *blueprints* for the future; the so-called social sciences attempt—in illusion—to *predict* the future, but myth is an act of *creation* without prediction.

The entire socialist idea is contained in the myth of the general strike, that is, the whole of the proletariat's consciousness, which radically transcends existing society, looks for no alliances, expects no aid from any quarter, and strives with maximum sharpness to mark its total alienation from the views of the contemporary world.

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> These results could not be produced in any certain manner by the use of ordinary language; use must be made of a body of images which, *by intuition alone*, and before any considered analyses are made, is capable of evoking as an undivided whole the mass of sentiments which corresponds to the different manifestations of the war undertaken by Socialism against modern society. The Syndicalists solve this problem perfectly, by concentrating the whole of Socialism in the drama of the general strike; there is thus no longer any place for the reconciliation of contraries in the equivocations of the professors.[3]

Myth is neither "thinking" about the future nor planning for it; it lives in the present, but shapes it:

> The myth must be judged as a means of acting on the present; any attempt to discuss how far it can be taken literally as future history is devoid of sense. *It is the myth in its entirety which is alone important:* its parts are only of interest insofar as they bring out the main idea.[4]

As we see, Sorel, as long as he criticizes rationalism of the Cartesian or Enlightenment provenance, does not oppose it from a clearly irrationalist viewpoint, for he prosecutes the rationalist illusion as a manifestation of historical dilettantism and an attempt to replace social realities with consistent speculative models. As soon as he opposes the mythopoeic act to social planning, however, his criticism ceases to be an attack of historical Reason against *a priori* abstracts and becomes an attack of sentiment against analytical reason in general. Myth is an irresolvable and even inexpressible totality; it can be apprehended only in a single act of intuitive perception, as Bergson described it. Accession to myth is not an act of reasoning; it is only an expression of *readiness for destructive action*. As such, myth resists arguments, discussion, and attempts at compromise. It is radically *anti-intellectual*. Sorel's *anti-intellectualism*, it must be noted, is far more radical than Bergson's. For Bergson did not in the least stigmatize analytical reasoning as a source of decadence; he only defined its limits as an instrument of technical manipulation—in describing physical as well as social reality. Thus in Bergson's view rational and analytical thinking about social matters is not at all worthless, although it cannot comprehend and grasp the historical discontinuities that arise from spontaneous creation. In Sorel's mind, however, mythic faith will completely *replace* the social sciences, and all practical actions must be subordinated to an expectation of an undefined and essentially undescribable apocalypse. Immunizing mythology against any rational criticism, Sorel thus justified beforehand the social movements that programmatically appealed to irrational "instincts," and in this respect his reception by the Fascists is not based on a misunderstanding. The connection with Marxism, on the other hand, does seem accidental.

[3] *Reflections on Violence*. Translated by T. E. Hulme and J. Roth, Introduction by Edward A. Shils (Glencoe, Ill.: Free Press, 1950), p. 140.
[4] *Ibid.*, p. 144.

IV
Ricorsi. Separation of the Classes. The Discontinuity of Culture

ALTHOUGH THE SORELIAN MYTH is an organ for negating the existing world in the name of the coming catastrophe, it also has certain roots in the past—but not like religious myths. It too is a repetition of something that was: it is a rejuvenation of the world through the breaking of all ties with the dominant culture. It is *ricorso* in the sense Vico gave to the word. *Ricorsi* occur when the human spirit returns to its primeval state, where everything in society is instinctive, creative, and poetic, as in the age of early Christianity or in the decline of the Middle Ages. Revolutionary syndicalism means to bring the world such a universal renaissance, taking for its point of departure the proletariat as an enclave completely separated from the rest of society.

Sorel particularly stresses this last point.

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But his sense of the proletariat's distinctiveness and independence is different from that of the orthodox believers. The revolutionary orthodoxy of the Second International always emphasized the necessity of a clear separation of the proletariat. But it was a matter of *political* separation, of the independence of working-class parties, of developing the working-class movement according to its own interests and guided by its own aims. Such a separation, for Kautsky, Rosa Luxemburg, or even Lenin and Trotsky, did not exclude tactical alliances with nonproletarian parties in defined areas; nor did it mean a break with existing culture. That is, it implied that in the cultural fund of existing society there are general values, which socialism is not only capable of assimilating, but of which it alone will be the legitimate heir.

In Sorel's sense, however, separation does not mean political isolation of the working-class parties, because he was opposed to parties as such and regarded them as a specific expression of bourgeois society. In a natural and inevitable way, the party signifies the subordination of the proletariat to professional politicians; not only does the party not lead to the liberation of the proletariat, but it effectively defeats that liberation and at most replaces one tyranny with the tyranny of party functionaries, parliamentary speakers, and clubs of newspaper reporters. For Sorel, the hope of the proletariat does not lie in parties or trade unions struggling for immediate improvements in the living conditions of the proletariat, but in *revolutionary syndicates,* programmatically apolitical, indifferent to all parliamentary struggles, refusing to take part in the bourgeois game, and struggling above all to ground the workers' consciousness and solidarity *in the name of total revolution.*

The syndicalist movement (or anarcho-syndicalist movement, as it is usually called) developed in the 1890s in France, somewhat later in Italy and Spain, and only to a limited extent in Germany. Its characteristic trait—in accordance with the tradition of Proudhonian ideology—was the complete negation of political activity, refusal to participate in bourgeois social institutions, and subordination of the proletariat's economic struggle to the coming revolution. This revolution will not replace one set of political and state institutions with another, but it will completely abolish them in favor of productive associations governed exclusively by workers and connected in a loose federation. Marx regarded such notions as a petty-bourgeois utopia, explaining that workers' self-government in itself is not capable of abrogating the law of competition and production anarchy, and that the Proudhonian ideal, if it could be realized, would immediately bring back all the disasters of capitalism connected with accumulation and anarchy. But Sorel saw in the syndicalist movement the only real hope for a victory of the proletariat. He did not take an active part in the movement (in accordance with his own position that middle-class intellectuals could only hamper working-class organizations), but he was its external ideologist.

Thus the syndicalist movement must strive to inculcate in the working class an awareness of its complete estrangement from bourgeois society, break off all moral and intellectual ties with bourgeois culture, refuse to participate in party and parliamentary contests, reject the supremacy of ideologists and parliamentary speakers, and preserve proletarian purity. The proletariat will never liberate itself if it attempts to model itself on the bourgeois pattern; its first rule is "to preserve working-class exclusiveness, that is, to exclude the intellectuals, whose leadership would result in the restoration of hierarchies and the dissension of the workers." [5] The question is not merely one of organizational purity, but even more of spiritual purity.

> That is why my friends and I never cease to urge the working class not to allow itself to

[5] *Matériaux,* p. 132.

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be pushed into the rut of bourgeois science or philosophy. A great change will take place in the world on the day the proletariat acquires, as did the bourgeoisie after the Revolution, the feeling that it can think according to its own conditions of life.[6]

Work will be the foundation of the new proletarian culture:

> . . . work can serve as a basis for a culture that would give no cause to regret the passing of bourgeois civilization. We know the war that the proletariat should conduct against its masters is suited to developing in it noble sentiments that are today completely lacking in the bourgeoisie. . . . All our efforts should tend to prevent the bourgeois ideas from coming to poison the rising class; that is why we cannot do enough to break any connection between the people and the literature of the eighteenth century.[7]

The philosophy of the new school, as Sorel wrote, is a *"philosophy of hands* and not a *philosophy of heads,"* [8] because it wants the working class to understand that its future lies entirely in the class war. This philosophy is created spontaneously, and the revolutionary syndicalist movement develops through the efforts of people whose knowledge of Marxism is rather superficial. It expresses, however, the truest need of the class of producers, for without it the proletariat would be threatened by the fate of the ancient Teutons who conquered the Roman Empire, became ashamed of their barbarity, and attempted to assimilate the decadent culture of the Latin rhetoricians, or by the fate of the Reformation, which brought about its own end when it took over the values of the school of the humanists.

In the class war, the proletariat must be aware that all other social classes *without exception* are opposed to its liberation. The society of the future will inherit from capitalism its technology, but it cannot adopt any part of its spiritual culture. All ideological or political battles, which can otherwise be justified, always do more harm than good if the working class participates in them with bourgeois radicals (the struggle against clericalism and the Church, not to mention patriotic ideologies), when they disturb the feeling of absolute separation of the classes and give birth to pernicious illusions that the proletariat can participate in social changes as an ally of the liberals. The coming revolution will "mark an absolute separation between two historical eras." [9] Consequently the proletariat, which has been summoned to carry it out, cannot have any moral attitudes toward other classes: "People who have devoted their life to a cause which they identify with the regeneration of the world, could not hesitate to make use of any weapon which might serve to develop to a greater degree the spirit of the class war. . . ." [10]

V
Moral Revolution. Historical Necessities

ALL THIS DOES NOT MEAN, however, that the proletariat is or can be a morally indifferent class. On the contrary, the basic task of the revolution is the *moral transformation* of the working class in a spirit that will restore its full dignity, its awareness of its uniqueness in the world, its pride, and its independence. And although Sorel's best known work is in large part an apology for violence, violence is morally important in as much as it educates morally those who resort to it. In other words, Sorel is concerned with military and not police violence, a violence without cruelty, whose motive is never envy by the poor of the rich—a feeling morally ruinous and degrading to the pro-

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[6] *The Illusions of Progress.* Translated by John and Charlotte Stanley (Berkeley and Los Angeles: University of California Press, 1969), pp. 70–71.
[7] *Ibid.*, p. 157.
[8] "The Decomposition of Marxism," in Irving Louis Horowitz, *Radicalism and the Revolt against Reason: The Social Theories of Georges Sorel* (Carbondale: Southern Illinois University Press, 1968), p. 249.
[9] *Reflections on Violence,* p. 157.
[10] *Ibid.*, p. 209.

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letariat. In distinction to force, which strives to replace existing systems of power with a different type of authoritarian rule, proletarian violence does not wish to establish a rule of a new type. On the contrary, it wishes to do away with all rule.

Examples of morally worthy violence are acts of spontaneous justice, as in the Corsican vendetta, in lynch law, or among Norwegian mountaineers. On the other hand, adherents of *political revolution,* or contemporary socialists who aim to take the place of the privileged minority, are disposed toward cruelty and inquisitorial methods, as the terror of the Great Revolution showed most clearly. Absurd in its very premise (the leaders of the Revolution attempted to solve economic difficulties with bloody repressions and were obviously doomed to fail), this terror was justified by Rousseau's doctrine of the social contract, because the Jacobins lost all their scruples at the very moment when they declared themselves the embodiment of the general will. But they lacked the moral preparation to rule and could only imitate the *ancien régime*. That same despotism would threaten society if power were handed over to people like Jaurès, who use humanist phraseology to poison the proletariat with the bourgeois desire for political power for proletarian parties, instead of educating it to wage war against institutions of social authority.

That is why syndicalism *fights against democracy,* which is an encouragement for the proletariat to participate in bourgeois institutions—above all in parliamentary ones—and is the source of the demoralization or corruption of class solidarity.

The *general strike* as the real goal of the proletarian struggle consequently must be distinguished from *political revolution.* In Sorel's view, the general strike does not fit into the stereotyped opposition between "economic" and "political" strike. It is obviously not an economic strike insofar as the latter implies an emphasis on improving living conditions for the working class in capitalist society. But neither is it political revolution: in fact, the general strike is its exact opposite.

Political revolution aims to obtain power; therefore it follows the rules of political struggle and allows tactical alliances, but it does not divide society into two and only two armies. It establishes, apart from syndicates, other forms of organization, committees or parties, or ready-made forms of the coming organization. It must be planned and consequently can be criticized in its details. Furthermore, political revolution is based, not on the Marxian doctrine of class division, but on an anti-Marxist opposition between the poor and the rich. It appeals to wretched feelings of envy and vengeance and not to lofty feelings of heroism, which inspire the warriors of the people.

The general strike is the destruction of existing society without any desire for power, because it aims to turn over productive forces to free men, who can control production without any need for masters. The general strike is a single integral idea, which cannot be divided into stages or conceived as a strategic plan. This idea shows that

> the time of political revolutions is over and that the proletariat refuses to establish new hierarchies for itself. This formula does not recognize any human rights, absolute justice, or political constitutions and parliaments; it negates not only the governments of capitalist bourgeoisie, but also any hierarchy more or less similar to the bourgeois one.[11]

Syndicalism does not care about doctrine or "scientific" preparation:

> . . . it advances in accordance with chance and circumstance, indifferent to dogma, guiding its forces onto a road condemned by sages. A discouraging spectacle for sublime souls, who believe in the supremacy of science in the modern order, expecting revolution to result from vigorous mental effort and imagining that the idea has ruled the world ever since it was freed from clerical obscurantism. [But] revolution does not hold

[11] *Matériaux,* p. 58.

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the secret of the future, and it advances like capitalism, throwing itself into every fissure that opens up.[12]

Hence revolutionary syndicalism struggles against the spirit of utopia as much as against the spirit of Blanquism—that is, the doctrine that a conspiratorial group, identifying themselves as the mandatories of the proletariat, can seize power in favorable circumstances and transform the subsequent society by means of violence and repression. Blanquism or Jacobinism is the idea of a revolution of the poor against the rich, and not the Marxian idea of a revolution of *producers,* guided entirely by themselves. Such a revolution does not strive for party dictatorship. Bernstein is right when he says a social democratic take-over would not grant the people sovereignty but would merely make them dependent on professional politicians and newspaper owners. Until the working class has at its command a strong economic organization and a very high degree of moral independence, the dictatorship of the proletariat means the dictatorship of club orators and literati.[13]

Neither can the syndicalist revolution result from the economic decadence of capitalism. Revolutions carried out in conditions of disorder and the fall of a previous regime do not improve anything, but petrify the existing decline. The syndicalist revolution requires an expansive capitalism, choking, not on its impotence, but on its own excessive energy. For the same reason it is not in the interests of the working class to weaken capitalism by forcing it to agree to legislative concessions and reforms; it is best if the capitalists are possessed by a pitiless and predatory spirit of expansion, like the American conquistadors of capitalism. These conditions will foster an unyielding consciousness of the absolute separation of the classes, the heroism of the struggle, the solidarity of the oppressed, the feeling of greatness and seriousness of the historical task—all those things that socialist politicians kill off when they coax the exploiters into making paltry concessions at the cost of working-class demoralization.

Nor should one be deluded by conjectural historical necessities that would guarantee victory, as "so-called scientific socialism" promises. History develops, as Bergson noted, by creating the unforeseeable. The illusions of the determinists come from exaggerated hopes stimulated by the growth of natural science in the 19th century; the utopians began to imagine naively that the future of society can be calculated like an astronomical prediction. According to Bergson's theory of personality and evolution, free creativity incessantly initiates the future. The revolutionary movement is indeed turned toward the future, but it foresees it only to the extent of its own spontaneous action and is led by a single irreducible, unanalyzable great idea—the myth of total transformation of the world in a final apocalyptic battle.

Early Christianity was inspired by such a spirit when it refused to compromise with the world, programmatically rejected its membership in the existing society and focused its entire life on the myth of the *parousia.* But the later history of the Church also gives evidence of the degree to which its development defied prediction: doomed by scholars to an early downfall, the Church was periodically renewed in impetuous expansion, which was born in an abrupt movement of spontaneous initiative by the great reformers, or by founders of new monastic orders. The syndicalist movement is such a spontaneous act of great renewal, which can regenerate the working class, corrupted by politicians and legislation, and in time bring mankind salvation.

THE AIM OF THE NEW REVOLUTION is not prosperity, affluence, or an easy life. Sorel scoffs at Destrée and Vandervelde for imagining socialism as a land of roasted pigeons, like the abbey of Thélème in Rabelais. Just

[12] *Ibid.,* p. 64.
[13] "The Decomposition of Marxism," p. 231.

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as the impulse of the revolutionary movement is not misery, but class opposition, and the workers' movement is not a movement of the poor trying to deprive the rich of their estates, but one of direct producers who want to be the organizers of production, so the chief values of socialism are in the sphere of morality, not welfare. It is apparent that the most impoverished sections of the proletariat are not those most imbued with revolutionary spirit; on the contrary. The just society, in Proudhon's words, must accept the "law of poverty," and a modest life is honest and happy.

Proudhon also imagined the future order as a loose federation of industrial-agricultural associations, with a concentration of public life in communal and provincial associations, with full freedom of assembly and the press, and without a standing army. Sorel, though in line with his disregard for any planning of the future, did not plan any details of the "perfect order," and he surely imagined it the way Proudhon did, whose doctrine he presents. In *The Socialist Future of the Syndicates* he says that "socialism will be a society organized according to the production plan," that this system "aims to transfer to society the regime of the production workshop," [14] and that all social matters will pass to the level of production units.

It seems that from both the moral and the organizational point of view, Sorel's ideal society was that of an isolated mountain tribe or an ancient Swiss village, organized in a direct democracy, close to self-sufficiency in production, and only slightly subject to the customs and cultural influences of commercial trade. In contrast to the merchant class, the proletariat possesses a morality of producers. Contemporary democracy has a marked similarity to the stock exchange, whereas the democracy of the future will be analogous to cooperative manufacturing.

Such comparisons are not after all groundless. The history of the idea of democracy and its institutions is certainly dependent on the history of trade, and the entire Mediterranean culture arose and developed in the ports and commercial cities. In a natural way, commercial trade fostered the growth of a morality in which a prominent part was played by a capacity for compromise, negotiation, and auction, and also by a capacity for hypocrisy, cheating, rhetorical skills and demagogy, a spirit of competition and calculation, a fondness for wealth and comfort, a disregard for tradition, rationalist inclinations, efficiency in foresight and reasoning, and the supremacy of the ideal of success. The peculiarity to which, in Marx's opinion, all of capitalism can in a way be reduced—namely, the subordination of production to exchange value—is the most perfect product of this current in civilization.

The society in which "everything is for sale"—in which *all* traditional ties of solidarity, familial, tribal, and local, consequently sundered—was subjected to criticism by all the romantic philosophers, including the young Marx. Next to Nietzsche, Sorel is the most passionate enemy of that society and in this respect appears as the heir of romantic philosophy. But the final conclusions of his critique diverge significantly from Marx's. Sorel is attracted by images of uncivilized bandit tribes, solitary communities struggling for survival rather than for pleasure or comfort, ruthless in battle but untainted by the spirit of cruelty, preserving aristocratic pride in their poverty, committed to tribal tradition, cherishing their freedom, and prepared to fight to the end against foreign domination. In the renewal of this morality, as opposed to commercial morality, he sees the most legitimate sense of the socialist idea. "Socialism is a moral question," he writes in the introduction to the French translation of Saverio Merlino, "in the sense that it gives the world a new way of evaluating all human actions, in Nietzsche's famous phrase, a transvaluation of all values." [15]

[14] *Matériaux*, p. 70.

[15] *Ibid.*, p. 170.

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The new morality develops in the working class under the conditions of capitalism. Its consolidation, furthermore, is an absolute *precondition* of revolution; on this point Sorel agrees with Vandervelde, when the latter says that a victory by the workers unaccompanied by a radical moral transformation would plunge the world into such suffering, cruelty, and injustice no less terrible than that which reigns at present. Economic transformations presuppose the victory of the new morality in advance. The source and place of application of this new morality are the *family, war,* and *production.* In all these areas there is a growth of dignity, magnanimity, heroism, solidarity, and individual responsibility. Sorel, by the way, attaches particular importance to sexual discipline and family virtues, regarding sexual dissolution and the weakening of family ties, which he sees as the basic source of morality, as the natural ally of bourgeois society. ("The world will be more just only to the extent that it is purer; I do not know any more indisputable truth." [16]) His sight is fixed on the Homeric heroes as seen through Nietzsche's eyes.

VI
Marxism, Anarchism, Fascism

SOREL'S WRITINGS, as was said earlier, contain a composition of values and ideas quite different from that of any orthodox Marxist or of any critic of Marxism. In this respect he is unique. His critiques of reformism are often remarkably similar to those that can be found in the orthodox left wing of social democracy. But, in its main points, his critique of the orthodox believers is close to the anarchist argument. Sorel then attacks anarchism, appealing to Marx. His criticism of Marx at certain points is like Bakunin's or is stated from a Proudhonian perspective. He cannot be contained in any classification commonly applied to that period of socialist thought.

Sorel is certainly like Marx in understanding socialism not simply as an "improvement of social organization," but as a total transformation, embracing all aspects of life, including morality, thought, and philosophy. Socialism is not a collection of piecemeal reforms, but a way of reinterpreting all human life. Sorel charges the socialists with failing to think seriously about human nature and final goals, with taking over the shallow metaphysics of the 18th-century freethinkers, with failing to notice the tremendous role that *evil* plays in Marx's historiosophy, and with failing to equal the Church in understanding mankind because of their rational optimism. He maintains that if socialism is to prevail, it must give humans all the values that they had found earlier in the teachings of the Church. He is not afraid —following Gustave Le Bon—to recognize the religious and charismatic character of socialism, differing in this respect from Marx, at least the Marx of *Capital.*

For Sorel, Marxism was above all the poetry of the Great Apocalypse, which he identified with the social revolution. He opposed reformism, not because it was a failure, for he knew that it was successful, but because it lacked greatness and was prosaic and unheroic. He believed in the class nature of the socialist movement and emphasized the absolute separateness of the class of producers as the carrier of revolution. But he conceived of the proletariat as a militant sect, which must above all guard its own nonallegiance to existing society. He dreamed of a free society, that is, an association of producers who have no masters over them. But he looked for the basic values of that society in its exclusive concern with material production, whereas Marx believed that the greatest attainment of socialism will be *leisure,* which people will be able to devote to cultural creation, while the amount of time devoted to producing material goods will grow smaller. Marx expected technological development to free people from unceasing preoccupation with material

[16] *Ibid.,* p. 189.

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existence, but Sorel believed, on the contrary, that man's dignity is contained in his relations with the productive activities, and he regarded the need for freedom from production as a symptom of bourgeois hedonism. Marx was a rationalist at least in the sense that he believed in scientific socialism: he believed that a rational analysis of the capitalist economy can show its inevitable replacement by social forms of economy. At the same time he believed in the continuity of human intellectual culture.

Sorel considered the idea of the historical inevitability of socialism to be a relic of Hegel's doctrine of the *Weltgeist*. He subscribed to Bergson's theory of spontaneity and called for a total destruction of cultural continuity, simultaneously declaring the sanctity of tradition, but only of the tradition that is entwined in the values of tribal solidarity and the family. Sorel's arbitrary handling of the Marxian heritage can be easily recognized in his definition of class, which he puts forth as Marx's own thought:

> a community of families united by traditions, interests, and political views, families that have acquired such a degree of solidarity that the whole can be ascribed personality and treated as a being reasoning or acting according to its own interests.[17]

Sorel did not acknowledge anarchism, because the anarchism of his time lacked a clearly defined profile in respect to class and traditionally enlisted in its ranks the *lumpenproletariat* or the declassed intelligentsia. A movement led by students, journalists, and lawyers obviously had nothing in common with revolutionary syndicalism, as he understood it. He was also repelled by those anarchist groups, of Bakuninist provenance, which engaged in conspiratorial work on authoritarian principles. Yet the emphasis on the complete destruction of state institutions, the refusal to participate in parliamentary games, and the consequent attacks against "political socialism"—basic elements that distinguish the anarchistic ideologies—are immensely strong in Sorel. The idea that "political" or "party" socialism is merely an augury of a new tyranny and the idea that the dictatorship of the proletariat as a form of government will make the working class a prey to despotic professional politicians—these ideas, since Bakunin's time, have been a constant theme in anarchist propaganda (Machajski in particular was their passionate advocate).

Sorel also agreed with those anarchists who underscored the necessity of a "moral revolution" as an integral component of the social revolution. "Social democracy is now being cruelly punished for so persistently fighting the anarchists, who wanted to arouse revolution in the minds and hearts," he wrote in a comment on Proudhon's letter to Michelet.[18] Nationalization of the means of production, in his view, does not in itself have any value from the viewpoint of liberating the working class, since it only strengthens the means of political control over the producers.

AT FIRST GLANCE it may seem strange that a writer who attacks with such intransigent hostility all state and party institutions, as well as all patriotic ideas, could be recognized as an ideologist of incipient fascism and supply the functionaries and apologists of brutal nationalist tyranny with arguments —all the more since Sorel, unlike Nietzsche, adopted essential components of the Marxist faith. Yet his tie with fascism is not simply based on misunderstanding, even if we take into account the difficulty of seeing in 1912 the germs of Italian fascism with the eyes of people who have lived through World War II. Everything that concerns revolution and the free postrevolutionary society in Sorel's writing lies in the sphere of "myth," which in principle is not amenable to discussion, does not require explanation, and cannot even be explained.

Fascism drew its strength from a feeling

[17] *Ibid.*, p. 184.

[18] *Ibid.*, p. 380.

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of desperation, a desire for a great "total" transformation, a disenchantment with democracy, a lack of possibilities in the framework of reforms of present society, and a need for an undefined but radical break with the existing order. Sorel's appeals were well suited to the spiritual situation in which fascism found its support. For he was not, and did not want to be, the legislator of the new order, but rather the prophet of the Great Catastrophe. He called for a break in cultural continuity—in the name of a more perfect culture that would return to the popular sources of legislation and morality; he automatically proved, therefore, that an attack on all existing intellectual culture is a support for barbarism, if it is not upheld by already existing values of the new culture or if it does not make clear what exactly is being opposed to this culture.

One can find many valid remarks in Sorel's critique of rationalist naïvetés. But an attack on rationalism, if it is not clearly distinguished from an attack on intelligence or if it declares a "philosophy of hands" (it is hard to mark the difference between the "philosophy of hands" and the "philosophy of the fist"), turns into a call for the destruction of thought for the sake of violence. Sorel's apology for violence referred to military, not police violence. But the distinction is not at all clear, and in Sorel it is based only on literary stereotypes, idealized images of Homeric heroes or Scandinavian Vikings. A morality in which violence as such passes for a value or an occasion for heroism and greatness is a morality that easily lends itself to becoming a tool of despotism.

The same is true of Sorel's critique of parliamentary democracy. His critique had a good deal of truth in it. But the same can be said about the critique of democracy contained in Hitler's writings. Criticism of the corruption that corrodes the democratic systems, of abuses, hypocrisy, petty quarrels, and struggles for positions disguised as struggles for an idea—all these are traditional motifs that can be found in extremely similar forms in the anarchists, communists, and fascists.

But even an accurate criticism of democracy that fails to articulate an opposition to democracy, or pushes its own ideas into the dark realm of myth, cannot help being an apology for what is either the opposite of democracy or the absence of democracy; that is, it becomes an apology for tyranny, at least when it moves from the realm of literary speculation into the realm of political action. As a writer who avowed Marxism and at the same time became a source of fascist philosophy, Sorel is particularly important in that the fate of his idea discloses the *convergence of extreme forms of right-wing and left-wing radicalism.* Left-wing radical phraseology—if it is only a criticism of bourgeois democracy and not an idea of a better democracy, if it is only an attack on rationalism and not a positive attempt at constituting new cultural values, if it is an apology for violence and does not contain any moral restrictions on violence—is nothing more than a program for a new despotism and as such does not differ essentially from right-wing radicalism.

If, as in Sorel's case, the Great Catastrophe passes for an independent and even superior value, instead of deriving its value from the hoped-for consequences, then the proletariat appears chiefly as a possible bearer of catastrophic transformations. Having lost hope that the proletariat would cast itself in the role he assigned it, Sorel could then turn to nationalism without renouncing his main idea when he came to the conclusion that national ideas are more promising as seeds of the great myth. But even in this case he was less concerned about the nation than about "total revolution." For the same reason his passionate defense of Lenin and the Bolsheviks is extremely ambiguous. Sorel declares that he loves the Russian Revolution because he sees it as the embodiment of a dramatic apocalypse, because it portends the extermination of the intellectuals,

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because it is a triumph of freedom over alleged economic necessities, and because it is a protest against the tradition of Russian "occidentalism" in the name of Muscovite national traditions. In 1918 he wrote,

> The bloody lesson of the events that have occurred in Russia impresses on the workers that a contradiction is developing between democracy and the mission of the proletariat; the idea of establishing a government of producers will not perish; the cry "death to the intellectuals," which is so often imputed to the Bolsheviks, may in the end seize all the workers of the world. One must be blind not to see the dawn of a new age in the Russian Revolution.[19]

And in the 1919 appendix to *Reflections on Violence* we read:

> Bolshevism owed a good part of its power to the fact that the masses regarded it as a protest against an oligarchy whose greatest concern had been not to appear Russian; at the end of the year 1917, the former spokesman of the Black Hundreds said that the Bolsheviks had "proven that they were more Russian than the rebels Kaledin, Roussky, etc., who betrayed the Czar and the country." . . . One may speak as a historian of the process of revolutionary repression in Russia only by keeping in mind the Muscovite character of Bolshevism. . . . national traditions provided the Red Guard with innumerable precedents, which they believed they had a right to imitate in order to defend the Revolution. . . . If we are grateful to the Roman soldiers for having replaced abortive, strayed, or impotent civilizations by a civilization whose pupils we are still in law, literature, and monuments, how grateful will not the future have to be to the Russian soldiers of socialism!

Sorel had an extremely vague notion of Lenin's doctrine; he lauded Lenin as the harbinger of the Great Destruction and extolled Mussolini from the same viewpoint. He was prepared to support anything that appeared heroic and threatened to extinguish the world he hated—democracy, party struggles, compromises, negotiations, and calculation. He was not in the least concerned with the petty question of bettering people's living conditions, but only with the question of what conditions will release more of the people's explosive energy. The discerning critic of rationalism became in the end a worshiper of the Great Dragon, to whom the blind, fanatical mob voluntarily throws itself to be devoured in the tumult of a war dance.

Translated by MARCO CARYNNYK □

[19] *Matériaux,* Introduction, and Afterword added in 1918.

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Czeslaw Milosz

On Virtue

The word virtue derives from *vir,* man, while courage best characterizes man. —CICERO

Virtue, *virtus,* is that strength of character from which arise the qualities indispensable for standing up to the world—courage, resolution, perseverance, control of the constantly changing emotions and impulses. If I regarded nature sentimentally, I would treat virtue with less respect. Since nature is not a loving mother but ravages and murders us without qualms if we find ourselves before it without weapons or tools, virtue must be held in high esteem, for it alone permits the effective use of weapons and tools. The courage (*fortitudo*) of which Cicero speaks may reside in the evil and the good, the wise and the foolish. It manifests itself in situations that exist independent of our will, and it commands us to behave in one definite way and no other. Where the struggle with nature has imposed upon men the necessity of organization, thus dividing them into those who give orders and those who carry them out, the oppressors and the oppressed, the master cannot dispense with virtue without endangering his position as master while the slave is compelled to virtue by his desire to survive and to outwit his master. The history of mankind is astonishing in its endless example of virtue keeping societies, nations, and civilizations alive, the virtue of leaders and soldiers, torturers and tortured, saints and criminals, captains and crews, landlords and tenants. No one can deny strength of character to Ghengis Khan and his commanders, nor can it be denied to the knights Cortez and Pisarro, nor to the capitalist ascetics who tormented themselves as much as they did others, nor to the generations of peasants who supported their families by hard labor on small plots of land. The human being is worthy of admiration because he suffers so much and remains undaunted in spite of it. If, for better or worse, our planet has been subjugated by technology, it most likely did not occur because of some impersonal, inevitable laws of development, but because of the virtue of the groups, clans, and classes whose self-discipline created the necessary conditions.

Until now virtue has had to be exercised in the struggle with nature and the struggle among men in which the losers met with extermination. Were it not for the abilities of self-discipline and self-denial, the conflicts that pitted men against each other would not have been so merciless. The greatest battlefields of our century—Verdun in World War I and the Russian plains in World War II—are enduring testimony to the unbelievable courage of the most ordinary, most anonymous men, villagers and town-dwellers, in the uniform of the French and German, and the German and Russian infantries. But, in times of peace as well, these same farmers, workers, shopkeepers, and bookkeepers gave proof of their merits, going to work each morning in acceptance of the rule: "who doesn't work, doesn't eat." It was also their hands that made the cannon, machine guns, tanks, and shells with which they were to slaughter each other.

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ARGUMENTS can be set forth against virtue, for it fosters obedience and is an agent of order, of whatever sort that order may be, splendid or sordid. Virtue has not been absent in heretics, renegades, and revolutionaries but, in general, it does not coexist very well with the anxious mind and the restless imagination. The mind, always somewhat skeptical, whispers its various doubts concerning our goals, even the smallest of them, when all our efforts should be directed toward their fulfillment; imagination throws bridges from the present to the next hour or day, which is not healthy. Perhaps virtue leans toward the conservative or reactionary. One Polish critic reproached Joseph Conrad for glorifying the heroism of the crew in his tales of the sea. His seamen do not hesitate to sacrifice their lives so that what must be done is done, and they do not reflect on what is served by their efforts. The ship, however, is the property of shipowners who sent it to sea with a cargo of goods to be sold for a profit. Thus, Joseph Conrad is, indirectly, a defender of the established order, that is, capitalism. This conclusion is not entirely devoid of logic, especially since the poverty of the lower classes in Conrad's England was truly horrendous, but the logic is none too exacting either. Any social system must appeal to the virtue of its workers, sailors, and soldiers or cease to exist. If, in the countries that are called socialist, the workers, sailors, and soldiers were to perform their duties out of love for the national economy, nobody would lift a finger. The critic's conclusion seems simply to mean that virtue in people working in my affairs is praiseworthy whereas it merits disapproval in those who work for my opponent.

There is no doubt however that a writer whose principal concern is the manly *fortitudo* of his heroes remains more or less insensitive to revolutionary slogans. The practice of virtue is difficult, it demands great will power, and, for that reason, the hatred of one's superiors, the mocking of them and of the goals they set, the incitement to revolt are rejected as factiousness, anarchy, weakness, a temptation that must be overcome if one does not wish to be derelict in one's duty. The virtuous do not question. Whoever their captain, leader, monarch may be, they do what they are told because they must. This does not mean that they are simply robots. They act in this way because others like themselves are close at hand and they must be loyal to them, in solidarity with them. This solidarity can also be called conformism.

The United States is a land of virtue. Through virtue it arose and achieved its technical might. The solidarity of the colonialists proved stronger than their loyalty to the English king; here one should ponder how and when virtue, though basically indisposed to mutterings and seditious acrimony, gives itself—once past a certain threshold—into the service of revolution. But those were not simple decisions and both sides displayed great fortitude in the War for Independence, just as both sides did later on in the Civil War, an especially bloody conflict for the 19th century. But is not the entire growth of America the quest for profit, the worship of the golden calf, the rule of the dollar? Undoubtedly; and is not money a standard of measure in the duels of men, is it not admitted that, empirically, the "best" man wins? Does not the best mean the braver, the more competent, the more tenacious, the more industrious? And, above all, the one better able to repress his own temporary whims, fears, dreams, despair, cravings? Here virtue, unfortunately, seems to consist primarily of repression and renunciation. I would like to lie in the sun but I get up and go because I must. I am afraid but I forbid myself fear. I do not believe that what I am doing has any meaning but I forbid myself to believe it. I have worked enough, now I will take a rest, but I do not because I have in advance designated the hour, or the year, when I will be free to rest.

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Repression: in the name of satisfying tomorrow that which I feel is my need, I deny myself its satisfaction today. Virtue also takes such a form. Instead of enjoying a day off from work I hit on the idea of devoting that day to fashioning a tool that will make my work easier tomorrow. The next day I hit on the idea that it is worthwhile to devote a great many days off to the making of a tool that will permit the fashioning of other tools in a shorter time, and so on. A parable of humanity producing machines which produce other machines which produce other machines. Or, relating this to an individual fate, a parable of someone who toiled for decades, suppressed all his own needs, saving his money to someday finally "enjoy life" and who then realizes that it is too late for he no longer has any desires left. Or, to return to the literature of the sea which always depicts the crew, a miniature society, pitted against an element respresenting the universe, we see it in Herman Melville's novel, *Moby Dick,* with Captain Ahab obsessed by the pursuit of the white whale which gives him neither rest nor respite. Perhaps Ahab was a *mente captus,* but he had, in its highest form, the virtue that represses its possessor and others as well.

Technology is virtue condensed, consolidated in tangible forms. Although technological progress can be imagined in a world of universal brotherhood, gentleness, and peace, nothing of the sort has happened as yet; any invention we name was realized under conditions of more or less open and active force, compulsion, exploitation, with severe sanctions imposed on weakness. The two faces of technology, one beneficent, one malevolent, have their counterpart in the two faces of virtue, one of which is death's helper. For that simple reason virtue has no love for squabblers and skeptics. One of the most virtuous peoples, the Germans, brought to power a madman more dangerous than Captain Ahab, for he was not commanding a ship but a nation which was obedient to him to the end, to the final catastrophe.

AMERICAN VIRTUE, primarily that of rural America, feeds on naiveté, ignorance, and ordinary dullness. The course of nearly every election leads one to suppose that there is nothing so foolish that it cannot be used as bait if only it is familiar enough, that is, does not bear the stamp of having been imported from overseas. It would simply be light-mindedness not to see the seeds of destruction here, of the whole country by a new civil war, or of the whole world. The protest of the other America, now many millions strong, takes the form of hatred for virtue, for it is virtue which requires one to join the "rat race," to accept the given, achieve, act, strive, conform to the morals of one's neighbor.

To negate virtue one must oppose industry with idleness, puritanical repression of urges with their instantaneous gratification, tomorrow with today, alcohol with marihuana, moderation in the display of emotion with shameless emotionality, the isolation of the individual with the collective, calculation with carelessness, sobriety with ecstasy, racism with the blending of the races, obedience with political rebellion, stiff dignity with poetry, music, and dance. In the background there is the permanent conviction that *we have gone too far,* or, that virtue has taken us too far, hence the readiness to smash machines, those guardians of the house of bondage. Among the revolt's many ingredients, the strongest is probably the dream of a return. The place of honor is given to primitive man who has none of civilization's repressions, is not ashamed of his instincts, the rhythm of whose body is joined with those of nature. No one outside of America is aware how deeply the revolutionary gospel has been influenced by a religious admiration for nature and an obsessive guilt at its poisoning and pollution by business and industry.

In their works three American writers, Thoreau, Whitman, and Melville, sketched out, leaving room to grow, all the problems that torment their heirs. When progress and

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Western civilization were being paid homage, Melville did not believe in the beneficial results of industry and commerce. When Christianity was respected, sincerely or insincerely, Melville rejected Christianity. The narrator of *Moby Dick* is set between Captain Ahab in whom the virtue and madness of Western Christian man are fused and the Polynesian, Queequeg. Victory falls (posthumously) to the latter, a pagan with no care for tomorrow, who lives in an eternal now, devoid of any ambition to prove his worth here or in the hereafter, free of any impulse toward self-repression. Moreover, for Melville, Queequeg has a different sort of *fortitudo* than the virtue of white men: the (oriental) dissolution of the individual in the cosmic flow, in the universal cycle turning life into death and death into life so that everything is accepted and actions are performed almost impersonally through submission to the great rhythm.

Virtue in the Western sense of it is not only open to the malice of today's imitators of Queequeg, it also succumbs to erosion from within, for, ultimately, it needs a certain complex of conventional beliefs to ensure its safety from the subversive whisperings of the mind and imagination. Literature and film have sufficiently acquainted us with the image of the breakdown of the respectable citizen who always did what was expected of him, worked from-till, earned a living and then suddenly—often as a result of meeting a demon-woman—discovers the emptiness, the absurdity of his way of life. This character has been invented by vindictive writers hostile to virtue. But breakdowns, though in a somewhat less violent form, are not limited to individuals. The hidden withering of Christianity and the pressure of the myths of advertising (primarily the sexual myth or the myth of the Islands of Happiness where what is natural is good) cannot help but weaken the Puritan sense of moderation. The myths of advertising are in themselves contradictory. They create needs in order to stimulate ceaseless competition, which requires self-repression. At the same time its philosophy, opposed to the concept of Original Sin, deprives discipline of its basis and elevates today above a temporal or posthumous tomorrow.

There is a large element of uncertainty here, and no one can measure the extent of the erosion nor judge how today's virtue differs from virtue a hundred years ago. I have spent holidays in the country, in Oregon for example, in the little town of Myrtle Point, Coos County. In that agricultural valley, not really rural since there's a lot of smoke from sawmills and paper mills in the air, changing beliefs and convictions have been completely absorbed by the normal course of life repeated from generation to generation.

The parade down main street, the American flag, the beautiful horses of the sheriff and his men, decorated saddles inlayed with silver. A band wearing false noses and Tyrolean hats goes by in a truck. The pom-pom girls, ages ranging from sixteen to six, the smallest ones struggling awkwardly with their batons, sticking out their tongues. Floats with goddesses of plenty representing Progress or the blessings of Pomona. Clubs, associations, lodges. The Lodges of the Temple of the Orient: shopkeepers dressed up as oriental kings in broad silk galligaskins, turbans, slippers with pointed toes, painted-on moustaches, pipe fifes and pound drums. Again beautiful horses ridden by the children of farm families, boys and girls, long-legged, lean, straight in the stirrups, the costumes always changing, for one group follows another, the Caballeros, the River Rangers, the Coos Rangers. The cars of candidates running for local office of the state senate: "Vote for." A dragon that stretches out its neck every few seconds and belches smoke, an advertisement for a bulldozer company. Trucks each carrying one felled tree measuring more than a meter in diameter—the drivers are those who took first place in the professional competition, an event that

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makes sense in this region of sawmills. Much regal beauty—the queens of the melon growers, of the fishermen, of the county, the town. Kisses are thrown, smiles. A few girls are dressed up as squaws. There is even one genuine Indian leading a team of sheep dogs. Then the annual exhibits—stalls of cows, horses, sheep, pigs, domestic fowl, ribbons for first and second place, honorable mention.

All this is quite typical and could be found in hundreds of small towns and counties across America. For a revolutionary this is nothing more than the dull, insipid life of yokels and provincial boors. I, however, have a wonderful time on such holidays in the country, and applaud them. The difference between us is that, for me, all the frameworks that permit the daily practice of virtue are very fragile, it is easy to destroy them, as I was able to convince myself observing ideologically planned regimes at close range. Virtue: to be thirteen years old, jump up every day at dawn to feed, water, and brush your own horse, bullock, ram, to learn everything that could ensure victory in the livestock competition. The long-haired revolutionary, more often than not raised in a big city in a quite well-to-do family, has no idea how a few thoughtless edicts can be enough to ruin agriculture and set the lives of farm children on a completely new course, not necessarily a better one.

However, it is perfectly probable that a great change is gradually occuring and that there will be less and less virtue simply because a smaller number of virtuous people ensures the efficient functioning of society as a whole. If machines are virtue consolidated in matter, they can replace the efforts of the human will, but their cybernetic brains will not have to battle emotions, which do not exist in metal hearts. With the exception of a relatively small number of administrators the remainder of the citizenry will be delivered from the afflictions and the triumphs *fortitudo* provides. Perhaps, but there is one other possibility that should not be excluded: perverse History, in order to check humanity's too rapid progress, could throw its temporary support to systems that idolize economic inefficiency and privation, where everyone labors feverishly from morning till night with paltry results.

Translated by RICHARD LOURIE □

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Victor Erlich

The World of Gulag

THE GULAG ARCHIPELAGO 1918–1956: AN EXPERIMENT IN LITERARY INVESTIGATION, by Alexander Solzhenitsyn. Volume I (parts I–II). Translated from the Russian by Thomas P. Whitney. New York: Harper & Row. 660 pp. $12.50 cloth. $1.95 paper.

In his review of *The Gulag Archipelago*—by far the most effective American response to date—George Kennan called it "the greatest and most powerful single indictment of a political regime ever to be leveled in modern times."[1] The intrepid Russian writer Lidya Chukovskaya spoke of Solzhenitsyn's book as an "enormous event," comparable in its repercussions to Stalin's death. Roy Medvedev, a man who has serious philosophical and political disagreements with Solzhenitsyn, maintains that no one who has read *The Gulag Archipelago* can remain the same person he or she was before reading it.

To approach such a momentous moral-political act primarily in literary terms may appear as fatuous as "reading the Bible for its prose." Yet we could do worse than begin our effort to pin down the nature and import of this harrowing montage—an unorthodox blend of history, political commentary, personal reminiscence, and composite eyewitness testimony—by focusing on some aspects of its texture and genre. Solzhenitsyn seems to have legitimized such a procedure by providing a curious subtitle "An Experiment in Literary [literally, 'Artistic'] Investigation." While I am not entirely clear about the precise implications of this phrase, I sense here something akin to the intent behind the title of Dostoevsky's publicistic miscellany *A Writer's Diary*—notably a suggestion that the body of nonfictional writing so labeled has been shaped in part by the resources of literary craft.

As one immerses oneself in the Solzhenitsyn text, the ramifications of the subtitle gradually emerge. First, there are the pervasive clusters of images that dominate the description and history of the Soviet penal and forced-labor-camp systems. The quality of the Gulag world and its monstrous expansion are captured in graphic phrases—"the sewage disposal system," and concomitantly, the "murky, stinking pipes" into which successive "torrents" of prisoners—democratic socialists, churchmen, alleged industrial saboteurs, dispossessed *kulaks,* etc.—were channeled. The title metaphor, "archipelago," triggers, in sections dealing with the Gulag topography and modes of transportation, such terms as "islands," "ships," and "boats."

But more important, this, Solzhenitsyn's first major work of nonfiction, has all the evocativeness of individual scenes, episodes, and encounters that has long been recognized as his major literary trademark. The cumulative power and the overwhelming credibility of his indictment result in no small measure from the fact that the statistics and the typologies are repeatedly anchored in, and authenticated by, a wealth of physical and human detail, either remembered by the author or conveyed to him by other former denizens of the Archipelago. Thus it is not necessarily a reflection on the historical portion of the book to say that it is at its most effective in such sections as the autobiographical chapter "That Spring"

[1] *New York Review of Books,* March 21, 1974.

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—a masterly evocation of the hopes of amnesty that pervaded the camps after the victory over the Nazis, hopes brutally dashed as one inmate after another was casually and callously consigned to additional 5, 10, or 15 years of the forced-labor-camp inferno.

The adeptness of Solzhenitsyn the novelist at dramatizing the wanton arbitrariness of the Soviet penal system and the wretchedness of its victims is demonstrated in countless episodes ranging from the grotesquely anecdotal to the almost unbearably poignant. Let me cite a few instances.

Here is a vignette of a district Party conference in the Moscow province, held at the peak of the "personality cult":

> It [the conference] was presided over by a new Secretary of the District Party Committee, replacing one recently arrested. At the conclusion of the conference a tribute to Comrade Stalin was called for. Of course, everyone stood up. The small hall echoed with stormy applause, rising to an ovation. For three minutes, four minutes, five minutes the stormy applause rising to an ovation continued. But palms were getting sore, and raised arms were already aching. . . . However, who would dare to be the first to stop? The Secretary of the District Party Committee could have done so. He was standing on the platform and it was he who had just called for the ovation. But he was a newcomer. He had taken the place of a man who had been arrested. . . . He was afraid. . . . The director of the local paper factory, an independent and strong-minded man, stood with the presidium. Aware of all the falsity and impossibility of the situation, he still kept applauding. Nine minutes, ten! . . . After eleven minutes the director of the paper factory assumed a businesslike expression and sat down in his seat. . . . And oh, what a miracle took place! . . . To a man everyone else stopped dead and sat down. . . . That same night the factory director was arrested. . . .[2]

By the time such scenes were occurring all over the Soviet Union, "the sewer disposal system" had acquired a momentum of its own. The greedy machine had to be fed, the swollen policy corps had to justify its existence and demonstrate its vigilance by dumping down the "stinking pipes" ever-increasing numbers of random victims. Hence this remarkable admission made a few years latter:

> At the Novosibirsk Transit Prison in 1945 they greeted the prisoners with a roll call based on cases. "So and so! Article 51 and 58-1A, twenty-five years." The chief of the convoy guard was curious. "What did you get it for?" "For nothing at all." "You are lying. The sentence for nothing at all is ten years."[3]

In the chapter "The Ships of the Archipelago," a chance encounter in a prison van: Riding in the infamous "Black Maria" from the Butyrkj Prison to the railroad station, the author overhears a whispered conversation between his fellow inmate, lieutenant-colonel I., and a woman prisoner next to whom the officer finds himself and who turns out to have shared for five fateful months a prison cell with his wife.

> "Where is she now?" he inquires anxiously. "All that time she lived only for you! Her fears weren't for herself but were all for you!". . . . "But what has happened to her now?" "She blamed herself for your arrest. Things were so hard for her!" "Where is she now?" "Just don't be frightened"—and Repina put her hands on his chest as if he were her own kin. "She simply couldn't endure the strain. They took her away from us. She became, you know, well, a little confused. You understand?"
>
> And that tiny storm boxed in sheets of steel rolled along so peacefully in the six-lane automobile traffic, stopped at traffic lights and signaled for a turn.[4]

But all this is only part of what "literary investigation" may properly imply: for the adjective ("artistic") can connote not only a command of characteristically literary techniques, an ability to embody a tragedy of millions in sharply etched individual images but also the writer's recognizable signature, the imprint of his personal vision, a moral emphasis unmistakably his own.

THIS BRINGS ME to a theme that looms large in *The Gulag Archipelago*—the soul-destroying potential of *any* exercise of authority within the Soviet system, a theme that had been sounded memorably in Solzhenitsyn's *The First Circle*.

Let us recall the seeming moral paradox that lies at the heart of that novel: only in prison can one be really free. Only those who, like Nerzhin, Bobynin, and Khorobrov, have nothing to lose, since they have already lost every-

[2] *The Gulag Archipelago*, pp. 69–70.

[3] *Ibid.*, p. 293.

[4] *Ibid.*, p. 531.

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thing—all their material possessions and often their loved ones—can maintain their basic humanity and their personal dignity, can act upon the dictates of their conscience. That is why, in contradistinction to his brilliant and equally intransigent fellow inmate Sologdin, Nerzhin choses to forgo the relative comforts of the elite prison and the glimmer of freedom as a possible reward for collaboration and instead can opt for one of the circles of the inferno. He does so, Edmund Wilson notwithstanding,[5] not because he craves suffering, but because he knows only too well the moral cost of playing the game, and the system's capacity to degrade anyone who does its bidding.

In *The Gulag Archipelago* this moral vulnerability of the average Soviet citizen or inmate becomes an insidious and ubiquitous threat. Hence the "dreadful question" that Solzhenitsyn raises as his discussion of the KGB mentality ("The Bluecaps") shades off into autobiography: "If my life had turned out differently, might I myself not have become just such an executioner?" It seems that at a certain point in his career as a student Solzhenitsyn was urged to enter a secret police academy. Some of his colleagues "were recruited at the time." Solzhenitsyn himself at the last moment refused to apply out of some "vague sense of revulsion" that he traces to an earlier, less "relativistic" morality. He now claims that this was a narrow escape: "if they had really put the pressure on, they could have broken everybody's resistance." But, clearly, what was involved was not merely "pressure." In a society where the alternative to authority is either total misery or total insignificance, temptations of power are extremely difficult to resist. By the same token where "higher"—moral or religious—constraints are effectively removed, abuse of power is virtually inevitable: "Power is a poison well known for thousands of years. . . . For those, however, who are unaware of any higher spheres it is deadly poison." In passages of remarkable effectiveness and characteristic candor Solzhenitsyn recalls ruefully that during the few months of his army career, abruptly terminated by imprisonment, he proved far from immune to this poison: when an army captain, he was not above throwing his weight around, taking inordinate pride in his rank and uniform, treating ordinary soldiers and prisoners of war in a high-handed and arrogant manner. For Solzhenitsyn's purposes Lord Acton's famous dictum, "power tends to corrupt and absolute power corrupts absolutely," might be amended to read: "in an absolutist (i.e., totalitarian) state even limited power can corrupt absolutely."

Let us take one step further: in the nightmarish world of the Gulag Archipelago the source of corruption lies, not in the power *per se*, but in its being legitimized and sanctioned by an all-embracing ideology:

> Ideology—that is what gives evildoing its long sought justification and gives the evildoer the necessary steadfastness and determination. . . . That was how the agents of the Inquisition fortified their wills: by invoking Christianity; . . . the Nazis, by race; and the Jacobins (early and late), by equality, brotherhood and the happiness of future generations.[6]

What is the name of the latter-day Jacobin ideology that served as an alibi for the atrocities recorded here? Is it Marxism that is deemed responsible for what happened to Russian society? Though Solzhenitsyn's hostility to Marxism as a fallacious and "alien" doctrine is by now part of the public record, on the evidence of the first four parts of *The Gulag Archipelago* it would be more accurate to say that he places the blame at the door of the Bolshevik variant of Marxism, specifically, of Lenin.

SOLZHENITSYN'S INSISTENCE on tracing the Soviet police state back to the halcyon days of the October Revolution is precisely what makes *The Gulag Archipelago* so thoroughly "subversive" a document. This emphasis has been queried by a number of Western reviewers, including those who on the face of it do not seem to have any stake in the early phase of the Soviet regime. In a thoughtful review of *The Gulag Archipelago,* Stephen F. Cohen found Solzhenitsyn's strictures somewhat unfair. Where legitimizing terror is concerned Lenin's legacy is "ambiguous," he opined.[7]

Let us concede that modulated political analysis is not Solzhenitsyn's forte. Thus, in his salutary challenge to the Khrushchevite no-

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[5] See "Solzhenitsyn," in *A Window on Russia* (New York: Farrar, Straus & Giroux, 1972).

[6] *The Gulag Archipelago,* p. 174.

[7] *New York Times Book Review,* June 16, 1974.

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tion that the "abuses of socialist legality" had not begun until the mid-1930s and that the Great Terror was the result of the tyrant's paranoia and blood lust, he can occasionally understate the differences between the Stalin and the pre-Stalin periods. But since the monstrous distinctiveness of Stalin's contribution emerges unmistakably from his massive documentation, no major distortions can be said to have occurred. By the same token, Solzhenitsyn feels too vindictive—though again not without reason—toward all the major architects of the Soviet system to be able to accord the old Bolsheviks arraigned in the public purge trials —e.g., N. Bukharin—as sensitive and compassionate a treatment as he offers millions of ordinary Russians, including the half-starved and misguided prisoners of war sucked into General Vlasov's ill-fated "Russian Liberation Army." [8]

Yet none of this diminishes the force of Solzhenitsyn's most explosive thesis, notably that the foundations of Stalinist arbitrariness and lawlessness—of the use of terror as the "mode of persuasion"—were laid in the formative years of the Soviet regime. The evidence marshaled in behalf of this proposition is as ample as it is difficult to refute. There is the indiscriminate savagery of the War Communism terror; the succession of revolutionary kangaroo courts held in the early '20s; the raving and ranting of Lenin's protégé, the chief prosecutor Krylenko—all bluntly deriding the concept of personal guilt as a bourgeois survival and enthroning the principle of "class expediency" as the cornerstone of the Soviet judicial system. Last but not least, there are the ominously explicit quotations from Lenin's writings and edicts, his call to "purge the Russian land of all kinds of harmful insects," his flat assertion in a 1919 letter to Maxim Gorky that the intelligentsia "are not the nation's brain but shit," his directive to the People's Commissar of Justice "to extend the use of execution by shooting to all activities of the Mensheviks, SRs, etc.," finally and most relevantly, his laying down only two months after the October Revolution the "guiding principle of the Gulag Archipelago." In December 1917 Lenin drew up the following list of penalties for violation of a recently promulgated law: "confiscation of all property, incarceration . . . and *forced labor.*" (Translation and italics, V.E.).[9]

That on the eve of his death Lenin should have had second thoughts about the authoritarian drift of the Bolshevik regime is a matter of some psychological and historic interest. The dying leader's alleged last-minute shudder may well be interpreted as a belated tribute to the humanistic tradition of the Russian intelligentsia, a tradition to which his successor would owe scant allegiance. But it is hardly enough to absolve Lenin from a major share of responsibility for the establishment of the Soviet penal system.

Some Western students of Russia should have little quarrel with Solzhenitsyn's position. They can in fact properly argue that ruthlessness and lack of scruple in dealing with "class enemies" had been a trademark of Bolshevism well before its advent to power. Yet what is ultimately at issue here is not merely the nature of the Bolshevik doctrine but, as George Kennan correctly puts it, "not so much the actual content of the [dominant] ideology as . . . the absolute value attached to it." [10] For only an intoxication with one's historical rightness could provide what Norman Cohn has called in another connection "a warrant for genocide." [11] Only the terrible righteousness of self-appointed saviors of mankind could induce otherwise honorable men and women to proscribe entire segments of society, to waive all legal and moral constraints with regard to those branded as "socially alien" and as "harmful insects" to be exterminated without mercy or discrimination.

One of the most repellent aspects of the Gulag universe, recorded previously in such forced-labor-camp memoirs as Evgenya Ginsburg's *Journey into the Whirlwind* and fully

[8] Soviet official slander and some Western obfuscation notwithstanding, Solzhenitsyn never comes anywhere close to justifying General Vlasov's precarious collaboration with the Germans. His main interest is in probing Stalin's responsibility for this large-scale defection, in pressing the question: how could it happen that "several hundred thousand young men, aged twenty to thirty, took up arms against their Fatherland as allies of its most evil enemy?"

[9] *The Gulag Archipelago,* pp. 308, 328, 357; *Arkhipelag GULag* 1918–1956 (Paris: YMCA Press, 1974), III–IV, p. 10, Russian edition.

[10] *Ibid.,* n. 1.

[11] *Warrant for Genocide: The Myth of the Jewish World-Conspiracy and the Protocols of the Elders of Zion* (New York: Harper & Row, 1967).

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borne out by Solzhenitsyn's account, is the complete impunity with which hardened criminal harass and humiliate their "political" fellow inmates. The privileged status enjoyed by bandits and thieves in the Archipelago can be said to epitomize the wantonness of "l'universe concentrationnaire" (David Rousset). But it is also a measure not so much of the regime's tenderness toward the criminals—though it was this *lumpenproletariat* gone astray that was dubbed "socially akin" and thus capable of reeducation—as its utter scorn for the "politicals." (How different in this respect, Solzhenitzyn never tires of reminding us, were the Czarist jails!) In this seedy ideocracy a thief, or for that matter a murderer, is simply a Soviet citizen who has run afoul of the law and who during his prison interlude is encouraged to use his not inconsiderable resources to act as a scourge of the allegedly unredeemable "enemies of the people." The "political" offender, or anyone who could remotely—or fraudulently—be construed as one,[12] is a pariah, an outcast; he has truly been placed beyond the pale.

At one of the least convincing moments in Maxim Gorky's famous play *The Lower Depths,* a protagonist exclaims: "Man! This has a proud ring!" This humanistic cliché—singularly unpersuasive in the squalid circumstances under which it was uttered—has since been quoted *ad nauseam* by official Soviet publicists and critics. Nor is this particularly surprising. Abstract enthusiasm for Man, faith in his unlimited potential and his glorious future, has never prevented inhuman treatment of the believer's notoriously imperfect contemporaries; in fact, it has often legitimized it. Ironically, it is to the accompaniment of such ringing celebrations of Man that millions of actual men and women were marched into the lower depths of degradation in the land that Alexander Solzhenitsyn, to his ever-lasting credit, has dared to chart.

WHATEVER ITS FLAWS or inconsistencies, *The Gulag Archipelago* is indeed, as Chukovskaya put it, an "enormous event." Whether the "repercussions," the overall impact, or Solzhenitsyn's act will match its inherent significance is quite another matter. Few of his Russian readers—and it is to them that *The Gulag Archipelago* is principally addressed—will fail to respond to this book without a shock of either recognition or discovery. But how many of them will be reached? The Soviet authorities can be relied upon to make access to Solzhenitsyn's bombshell difficult and hazardous. In the West, where the availability of the book is not at issue, the barriers are of a different order. One of them has to do with the harrowing nature of Solzhenitsyn's material. This unsparing account of arrests, tortures, executions, and of grinding, day-to-day brutalities and indignities, the spectacle of the millions of innocent people frozen, starved, beaten to death would be literally unbearable, were it not for Solzhenitsyn's remarkable narrative gifts and for the flashes of humanity and spiritual fortitude that occasionally light up the inferno. As it is, the journey is long and arduous, and not a few Westerners who admire Solzhenitsyn will balk at these hardships. (Recently a lady neighbor told me with feeling: "I believe every word he says, but I'm not going to read this book!") Some of those who will take the plunge are liable to be occasionally "turned off." If readers naturally attuned to Solzhenitsyn's towering rage marvel at its sustained power, others may find his unmodulated anger, his heavy sarcasm, which punctures the text and keeps spilling over into the footnotes, obtrusive if not counterproductive. More substantively, many an otherwise sympathetic Westerner is apt to be irked by the parallels drawn between the Soviet police state and other systems of organized repression, including the Nazi terror, parallels that may appear to minimize the horrors of the latter. I am saying "appear" since at no point does Solzhenitsyn view Nazism as anything else but the epitome of modern Western evil.

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[12] One of the salient findings of Solzhenitsyn's "literary investigation" is that since the early '30s only an infinitesimal fraction of those convicted on ideological charges under the catchall article 58 have been principled opponents or even critics of the regime. During the Stalin years one could be sentenced to anywhere from five to 25 years under this article for such crimes as hanging one's jacket on Lenin's bust, wrapping a herring in a newspaper that featured Stalin's photo, or asking at a Party meeting why Trotsky was allowed to leave the country. (The sentiment was thoroughly orthodox, but questioning the Party's wisdom was an intolerable offense.) No wonder the chief of the convoy guard in Novosibirsk could calmly state: "The sentence for nothing at all is ten years."

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Yet his passionate and to an extent legitimate insistence on the uniqueness of the Soviet experience—in its utter arbitrariness and grotesque size the Stalinist policy apparatus has no equals in modern history!—may at times clash head on with one's awareness of an equally unique and unsurpassably grisly modern atrocity—the Nazi "final solution."

It is one thing to note the pitfalls of Solzhenitsyn's Russia-centered cosmology (nothing less than candor can do justice to his own fearless honesty). It is quite another to use his blind spots or rhetorical excesses as a pretext for distancing ourselves from a great and immensely important book.

In a *New Yorker* review George Steiner deems it necessary to warn his readers:

> But let us not fool ourselves. Even where it moves and instructs us most *The Gulag Archipelago* is violently at odds with the Western style of feeling and argument. It is filled with Slavophile, liturgical rhetoric. Citing those broken under torture Solzhenitsyn exclaims: "Brother mine! Do not condemn those who finding themselves in such a situation turned out to be weak and confessed to more than they should have. . . . Do not be the first to cast a stone at them!" [13]

The characteristically Russian, "liturgical" tonality of the above is undeniable: Dostoevsky's Father Zossima could have spoken thus. But is not the "style of *feeling*" that shapes this passage, especially its richly resonant last phrase, part of the patrimony many a Western reader will readily recognize as his own?

Let me conclude: we have before us a triumph of relentless, heroic memory, a staggering recreation of a man-made hell, of an institutionalized horror perpetrated in our own time and still extending, albeit, in a significantly truncated and modified form over one-sixth of the globe, a horror whose very existence was for a number of years strenuously denied by some of the more "advanced" minds of our era out of misguided loyalty to a besmirched and degraded utopian project. Solzhenitsyn has written a book that, in his own words, "cries out" not only to the "two hundred million" Russians but to us all. Is it too much to hope that a significant number of those vouchsafed the opportunity to hear his message will bestir themselves to do so? □

[13] *New Yorker,* August 5, 1974.

David Bensman

Mobility in America

THE OTHER BOSTONIANS: POVERTY AND PROGRESS IN THE AMERICAN METROPOLIS, 1880–1970, by Stephan Thernstrom. Cambridge: Harvard University Press. 345 pp. $10.

For more than a decade Stephan Thernstrom has been studying patterns of social mobility among American workers in the 19th and 20th centuries, in order to understand "Why the American working class did not form a mass radical party or develop a revolutionary ideology." Thernstrom's work, particularly *Poverty and Progress* (1964), along with that of his former collaborator Peter Knights, has shown that we can learn much about the American working class by using computers to process data from the manuscript censuses, city directories, and tax records. His newest book, *The Other Bostonians,* is the most sophisticated work of its kind yet to appear, and the only one that attempts to study mobility over a long period.

Thernstrom selected five samples of the male population of Boston, from the manuscript census of 1880, city marriage records of 1910, local birth records of 1930, a 1958 city directory, and a 1963 interview survey. He then consulted city directories and tax records for information about the career histories of the sample members.

Boston's working class, we learn, was astonishingly mobile—in the geographical sense. At any point, only between 40 and 60 percent of the adult males of Boston could still be located there ten years later. And it was largely the less successful who left the Boston metropolitan area.

Inasmuch as Thernstrom's findings here confirm other studies of geographical mobility, he speculates that "The extreme transiency of the urban masses must have severely limited the possibilities of mobilizing them politically and socially."

The bulk of this study is devoted to social rather than geographic mobility. Thernstrom finds that the American class system allowed simultaneously for substantial privilege for the

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middle and upper classes and extensive opportunity for the working class.

There was, of course, social inequality and Thernstrom shows the evidence:

- the level at which one entered the labor market strongly influenced one's subsequent career;
- the point of one's entry into the labor market was strongly related to family status;
- there were marked disabilities connected with racial and ethnic status.

But Thernstrom is more impressed with the degree of opportunity, finding that:

- one-fourth of all the men who entered the labor market as manual workers ended up in middle-class callings, whereas only one-tenth of those starting in middle-class jobs dropped to manual positions;
- one-third of the youths born into working-class homes attained positions as clerks, salesmen, or small proprietors, and another tenth ended up as professionals or substantial businessmen;
- children of unskilled or semiskilled workers were not trapped at the bottom of the social system; four-tenths of them got white-collar jobs, and another tenth entered a skilled trade.

Finally, Thernstrom found there were sharp ethnic differences in achievement, with natives doing better than immigrants, American-born children of European immigrants better than their fathers but worse than the children of natives, and Irish and Italian immigrants faring much worse than Jewish and English immigrants. Blacks moved up slowest of all.

FROM THESE FINDINGS, which Thernstrom finds applicable to other cities and regions, he is willing to speculate that when the needed comparative studies of European society are available, they will show that the American social structure was more fluid than that of most European countries, and that American opportunity did impede the formation of class-based movements for radical change.

Though sophisticated and comprehensive, Thernstrom's study is not fully satisfying. One problem is that, because of the limited size of his sample, Thernstrom is forced to use very broad categories of jobs—"manual," "middle-class," etc. This is particularly problematical because he does not supplement his study of occupational mobility with measures of income and wealth. Thus we are not sure what movement from a manual job to a clerkship really entailed.

It is surprising that Thernstrom chose to proceed in this manner, because one of the most interesting findings in his Newburyport study was that Irish laborers chose to spend their income on buying houses rather than educating their children. Such a trade-off could not be uncovered by the procedure Thernstrom used here.

Even more troubling, however, is Thernstrom's failure to investigate the significance of the mobility patterns he uncovered. Surely, if we want to know what were the social consequences of the Boston workers' career experiences, we must know the criteria by which they judged them. Did they compare their status with that of their parents in rural Europe? Did they view manual work as inherently degrading? And how did they regard decreasing opportunities for self-employment? If one does not answer these questions, one cannot determine whether the patterns of mobility that Thernstrom discovered served as a significant barrier to working-class radicalism. But he refuses to consider these "cultural matters" because he believes they are not susceptible to scientific study.

This refusal to consider culture emerges most clearly in Thernstrom's discussion of the variations in the ethnic mobility rates. He recognizes the importance of cultural factors in determining these rates, but considers the matter too murky to merit speculation or study.

Other American social historians, led by Herbert Gutman and David Montgomery, have not been afraid to enter this terrain. Inspired by the work of such European social historians as Lefebvre, Thompson, Rudé, and Hobsbawm, they have made "working-class culture" the subject of their inquiry. European work habits, American artisan tradition, and the development, in America, of ethnic working-class communities, have been subject to fruitful inquiry in the past half-decade. There really is no reason why the study of working-class culture and the quantitative studies pioneered by Thernstrom need be seen as alternatives and it is disappointing that Thernstrom has chosen so to view them. □

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Charles Perrow

On Bureaucracy

THE BUREAUCRATIZATION OF THE WORLD, by Henry Jacoby. Translated by Eveline Kanes. Berkeley: University of California Press. 241 pp. $12.95.

A good book on bureaucracy is yet to be written, and it is unfortunate that, despite the virtues of this essay, this is not the book. The virtues are considerable. Covering a vast range of literature, this is perhaps the best summary statement of the rise of bureaucracy in the West, more extensive than Reinhard Bendix's short gem in the new edition of the *Encyclopedia of the Social Sciences,* more detailed and historical than Martin Albrow's fascinating small book, *Bureaucracy,* recently published in England by Pall Mall. Jacoby draws upon an immense range of material, quotes liberally, and manages to convey a feeling for the concrete, nitty-gritty growth of the centralized state out of feudalism, as well as broad generalizations that made this halting march of bureaucracy seem inevitable. Detailed and fascinating studies in French and German that are largely unknown to us in the U.S. are well summarized, e.g., Eberhard Kolb on the German Workers' Councils in 1918 and 1919. The first part of the book treats the "birth of modern government," primarily in France and Prussia; the second part treats bureaucracy, economy, and politics in the 19th century, part three the Russian example, and part four the problems of a contemporary administered world. Throughout, the writing is graceful, the quotes are a delight, the range and scope is wide and free-wheeling.

But the book reflects the vices of its sources as well as their virtues. The major vice is an analytic one. On the one hand, bureaucracy becomes an all-encompassing noun, embracing absolutist states and democratic ones, efficient and inefficient private enterprises; indiscriminately applied, bureaucracy is the explanation for all the evils of the world. On the other hand, it pulled us out of the feudal order, gave us the basis for democracy, expanded the wealth of societies.

The characteristic failure of this book, and of most work done in this area, comes out when the author says, "the dialectical irony of world history is that the bureaucratic limitation of freedom has been brought about largely by the freeing of individuals and the loosing of all social ties associated with that process." Fine; let us submit the irony to analysis. What are the freedoms that have been limited by bureaucracy, and in what regard has the "freeing of individuals" taken place because of bureaucracy? This is where analysis might begin, but it doesn't. Perhaps we are talking about different spheres of life. For example, the freedoms that have been lost might be those prized (and largely still held) by intellectuals; the freedoms gained might be freedom from want in the bureaucratized and industrialized societies, something of some concern to the vast majority of people.

But Jacoby does no sorting out; he does not explore the paradox he and others have identified. He contents himself with announcing on page 1 that "modern man has lost spontaneous self-sufficiency." Bureaucracy is to blame, and that sets the dominant tone of the book. But how many men have ever had spontaneous self-sufficiency? Do peasants in those unbureaucratized areas of India, Africa, or Latin America have it now? Would they lose it if they could trade places with the lower classes in the bureaucratized developed nations? Bureaucracy is the villain, but just how lovely was that feudal order bureaucracy has destroyed, an order, he says, which "had been both stable and protective"? Surely recent scholarship has challenged this generalization.

And did "bureaucracy" destroy the feudal order, or was it done by economic and political forces? The way the term is used in this book, despite passages arguing that it has many meanings and faces, it is difficult to know. Jacoby is clear that bureaucracy is the villain, but his data not. For example, he says, the problem with the political system in societies is that policy has been displaced by the bureaucrats; the social forces that would shape a responsive policy have been neutralized or set aside by the bureaucracy. But an alternative view would be that politics is so poorly informed by policy choices—political parties being look-alikes all over, voters indifferent, political activity left to hacks—because the political system is con-

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trolled by centralized economic interests. Removing the occasions for real debate and choice will leave us with an intendedly neutralized and ineffective bureaucracy. While it is ineffective in challenging the status quo, it might be quite effective as a means of shaping mentalities and limiting options. If so, the bureaucracy might be quite efficient for some purposes, but it is the purposes that matter, not the tool.

According to Jacoby, virtuous unions, for example, are corrupted by bureaucratic tendencies. But we do not hear in this book any suggestion that unions might be rendered powerless and corruptible by the superior power of business and the state that business shapes. A dominant theme of the book is that the state, which is equated with bureaucracy, has continually enlarged and extended its role in the economy. But Jacoby does not confront this theme with a quite subsidiary theme in other passages, which argues that capitalism needed, created, and controlled the state bureaucracy. If it is the latter, capitalism is the villain, not state bureaucracy.

JACOBY DISCUSSES some limits on the power of bureaucracy. In Russia, at the time of Peter the Great, reforms modeled on Western bureaucracies did not take hold, he notes, because it was not possible "to change the moral conditions engendered by oriental despotism." Thus oriental despotism is both worse and more powerful than bureaucracy. But a page later we learn that a limited experiment with autonomous government came to an end, not because of despotism, but because of "bureaucratic intervention." Bureaucratic intervention consisted of the governors of provinces arresting and exiling the leading members of the assemblies. In this view, apparently, the use of centralized power to make arrests is what bureaucracy means; if so, it is hard to know what is absolutism. We learn on page 132 that the Russian state eventually accommodated itself quite readily to bureaucracy, apparently casting off oriental despotism. But on the next page we find both the Czarist and the Soviet systems characterized by "enormous centralization of power and decision making" and "the overriding role of the head of the state." We are left wondering if the state is really identical with or even a pawn of bureaucracy, which is the dominant theme in the book, or whether the extremely powerful head of state has centralized control over everything (including the bureaucrats who were removed from time to time on a wholesale basis by the Czars). It makes some difference. And after a quite appropriate characterization of modern Russian bureaucracy as disastrous and wasteful, the very next chapter starts off with a paean to the virtues of bureaucracy—its technical superiority and efficiency. Can this be the same concept?

Thus the concept, as it is generally used, carries many contradictions, which is evident from the book—but not systematically analyzed. Jacoby prefers to speak through the quotes and synopses of others, and thus he loses an opportunity to think things through. At one point he quotes Alfred Sloan of General Motors: "the general question remains; how could we exercise permanent control over the whole corporation in a way consistent with the decentralized scheme of organization? We never cease to attack this paradox"—but it is not a paradox that appeals to Jacoby. An intelligent, historical, wide-ranging inquiry into this does not appear. Jacoby delimits the impressive means of centralized control at General Motors, one side of the paradox, and then two pages later he glides easily into a discussion of the flood of paper work, the paralysis of initiative, the duplication of procedures, forms, forms, and forms. After having admired the centralized efficiency of General Motors, we are again presented with a litany of the evils of bureaucracy; but that both inefficiency and waste could also coexist with the beautifully tuned instrument of centralized control which General Motors represents is not a paradox to Jacoby. There is, in fact, a nagging feeling that he rather admires centralized efficiency in industry, and blames the alienation of the individual largely upon centralized state control. He praises bureaucracy for having brought us out of the tyranny of feudal despotism, but inveighs against the red tape and manipulation of state bureaucracy.

The central question is to what extent bureaucracy is a genuine social form that is autonomous, evolving through natural laws, and goal directed (as is assumed by most of those authors Jacoby cites)? If it is largely this, then bureaucracy is the villain, and heads of corporations and of states are victims like the rest of us. On the other hand, it might be the most efficient tool available for elites both to expand

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the surplus (thereby benefiting non-elites in absolute terms) and preserve privileges and control (benefiting the elites in both absolute and relative terms). If it is the latter, we might find that the freeing of the individual in some respects is consistent with manipulating him in other respects; we might have a clue to changing forms of centralized power that depend upon the state of the society, technology, and so on, thus discriminating among varieties of a type of tool (bureaucracy); we might be able to discuss why a bureaucracy such as General Motors can be so effective for elites and one such as the New York City Board of Education can be so ineffective for non-elites (the ineffectiveness of the latter suggests it is a tool of the professionals who have captured it, and is a matter of indifference to elites); we might be able to examine the relationship of bureaucracy and democracy with a less stereotypical eye, with less propounding of easy "dilemmas" when we should talk about the structure of power.

Unfortunately, this book does not sort out such problems. But such a sorting out could profitably begin with this erudite overview of the scholarship in the area. □

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On HHH

Editor:

I think that Marvin Rosenberg—in his letter in the Spring 1974 issue—was justified in protesting that Senators Jackson and Humphrey should not be lumped together as supporters of the Vietnamese War. (Admittedly this was not a significant point in the original article—"Are American Jews Turning to the Right?" by Bernard Rosenberg and Irving Howe, Winter 1974 issue—but the extended discussion of it in the Spring issue makes it worth commenting on.) From 1971 to 1973 Senator Humphrey voted in support of every serious motion to end American participation in the war, including even a controversial filibuster by Senator Gravel. Meanwhile, Senator Jackson voted against every one of these motions; on the final vote, which terminated the American bombing of Cambodia in 1973, he was joined by no other Democrats except Eastland and Long.

This would seem to be a sufficient indication of Senator Humphrey's willingness to dissociate himself from the foreign policy of the Johnson administration after he was released from the vice-presidency. Since some of his original backers transferred their allegiance to Senator Jackson on account of this reversal, and supported Humphrey in 1972 only after Jackson was eliminated, it seems unfortunate that opponents of the war have been slow to give him credit for it.

ROBERT BANVILLE
Taos, N.M. □

Reconsidering

Editor:

In your Fall 1974 issue Irving Howe suggests that "there ought to be some looking-back at political choices." He then urges this retrospection on George Meany and his cohorts for their neutrality in 1972 and on those intellectuals who supported Nixon as a presidential candidate. No mention of those intellectuals (and others) who supported Senator McGovern for the nomination.

In the same issue Dennis Wrong writes matter-of-factly of Nixon's being emboldened by the landslide "handed him as a result of McGovern's candidacy." But Jack Clark, discussing the quarrel between the Coalition for a Democratic Majority and the reformers over the representativeness of elected officials as *ex officio* convention delegates, writes that, "given the Muskie experience, there was little reason to believe that elected officials represented their constituents' views on presidential preference."

This last observation is a bit opaque, but if it means anything, Mr. Clark is saying that Muskie, if nominated, would have gotten even less than the 37.5 percent of the vote that McGovern received.

Clearly, if looking-back is to be productive, we are going to have to employ a more wide-angled lense than is currently fashionable.

RICHARD F. SCHIER
Lancaster, Pa. □

A Word for Günter Grass

Editor:

The Richard Robbins review of Günter Grass's *From the Diary of a Snail* in the Summer 1974 DISSENT accurately describes the book.

But Robbins complains that "a reader longs finally for a full discussion of contemporary politics in Germany at some point without all the convolutions." One such "full discussion" was printed in 1968 with the collection of essays titled *Speak Out*. And I assume that a second volume simply awaits the attention of translator and publisher.

The Diary compels attention for more than the fascinating detail expected of Günter Grass. Robbins puts it well in describing the book: ". . . the road back from despair is slow, leading to hope but not utopia. Progress . . . its a snail's journey."

Far from disappointing (as Mr. Robbins suggests) Günter Grass rewards in this book. He rewards those refusing to concede that the "crackpot realism" (to use C. Wright Mills's phrase) personified by Franz-Josef Strauss and other German Rightists will continue to dominate industrial society. American readers have their own list of characters to consider and the fiction of Günter Grass pertains not only to Germany.

TOM KRAMER
Springfield, Illinois □

To Our Contributors

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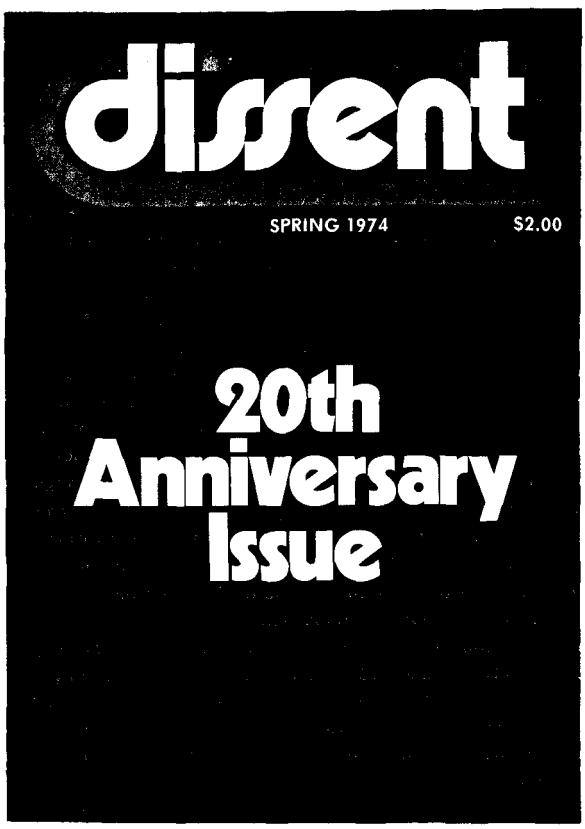

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